

## **Quarterly Business Review (QBR)**

**February 4, 2014**

**1 pm – 3:30 pm**

**Rates Hearing Room**

To participate by phone that does not charge long distance, please dial: 1-203-669-7563.

If you are calling long distance, please dial: 1-866-772-0716.

When prompted, enter access code 3395671.

# Financial Overview for FY 2014 through December 31, 2013

## **\*\*UPDATED INFORMATION \*\***

- After just completing the attached 1<sup>st</sup> Quarter Review financial forecast, Power Services received an updated streamflow forecast for the Columbia Basin. This more recent streamflow forecast arrived too late to be included in the attached 1<sup>st</sup> Quarter Review financial package. However BPA intends to update this package very soon.
- This updated streamflow forecast is significantly lower than what was used in the 1<sup>st</sup> Quarter Review. It is looking like this could cause the FY 2014 net secondary revenue forecast to drop by approximately \$60 million. Given that there may be some offsets, the impact on Adjusted Net Revenue and financial reserves may be less but that information is not yet available.
- In order to fully reflect and share the impacts of this updated streamflow forecast, BPA will be revising the 1<sup>st</sup> quarter review forecast and intends to release that information in mid February.
- The following information in this package is provided to continue BPA's commitment to full transparency as information is known.
- In addition to revising the 1<sup>st</sup> quarter review forecast, BPA will be issuing Agency wide guidance on cost containment.
- Although this is a significant decrease at this time in the forecast and BPA is concerned about the financial impacts, there is still uncertainty around how this year will play out regarding net secondary revenue.

Time	Min	Agenda Topic	Slide	Presenter
<b>Understanding QBR's – Pre QBR Meeting</b>				
10:00	60	How to interpret BPA's Financial Statements <ul style="list-style-type: none"> <li>Program Definitions</li> <li>Agency Services Allocations</li> <li>Between Business Line Transactions</li> </ul>	~	Cheryl Hargin, Kyna Alders, Kathy Rehmer, Brenda Weller
11:00	30	How to interpret BPA's Revenue Detail Report	~	Danny Chen, Mai Truong
11:30	30	Background on Debt Optimization and Debt Service Reassignment – Revenue Requirements to Financial Statements	~	Mary Hawken, Anita Mertsching
12:00	60	Lunch	~	~
<b>FY 2014 First Quarter QBR</b>				
1:00	5	Review Agenda	3	Mary Hawken
1:05	10	HCM Topic	4-5	John Hairston, Brian Carter
1:15	30	CFO Spotlight	6	Nancy Mitman
1:45	15	CIR/IPR/Debt Management Process Reminder	7-17	Mary Hawken
<b>Financial Highlights</b>				
2:00	40	<ul style="list-style-type: none"> <li>Review of 1<sup>st</sup> Quarter Financial Results</li> <li>Review of 1<sup>st</sup> Quarter Forecast</li> </ul>	18-32	Mary Hawken, Cheryl Hargin, Danny Chen, Kyna Alders, Mai Truong
2:40	10	Slice Reporting	33-38	Craig Larson
2:50	10	Review of 1 <sup>st</sup> Quarter Capital Financial Results & Forecast	39-41	Kathy Rehmer, Kyna Alders
3:00	10	Capital Project Status Report	42-46	Dennis Naef
<b>Other BPA Topic</b>				
3:10	15	BPA Loads and Economic Update	47-59	Reed Davis, Sarah Burczak
3:25	5	Questions, Comments, Future Meeting Topics	~	Mary Hawken
3:30	~	Adjourn	~	~

## HCM Topic

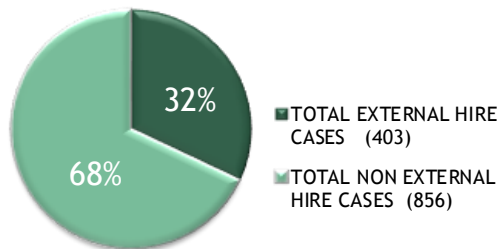
Brian Carter  
Human Resources Officer

John Hairston  
Acting VP, Internal Business Services

# BPA Case Reconstruction

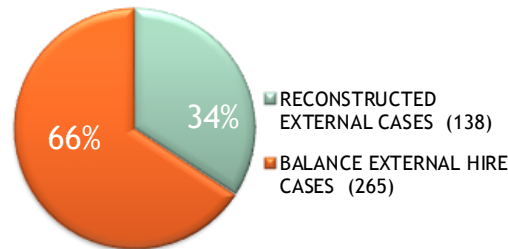
As of 1/24/14

1259 CASES TO RECONSTRUCT



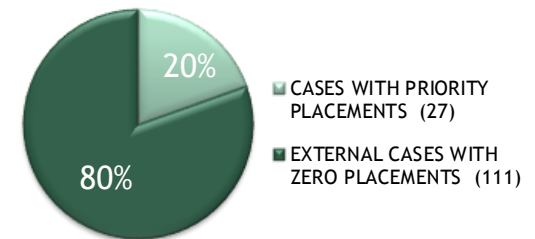
PRIORITY PLACEMENTS WILL COME FROM EXTERNAL HIRES ONLY

403 EXTERNAL CASES



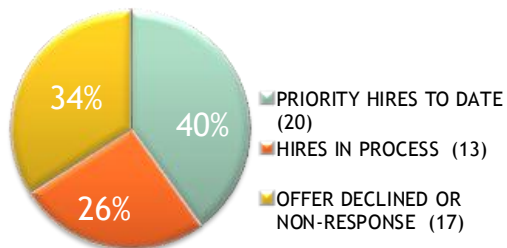
138 EXTERNAL HIRE CASES RECONSTRUCTED

COMPLETED EXTERNAL CASES WITH PLACEMENTS

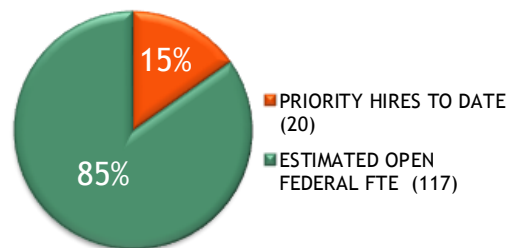


A CASE MAY RESULT IN MULTIPLE PLACEMENTS  
27 CASES RESULTED IN 50 PLACEMENTS

PLACEMENTS TO DATE

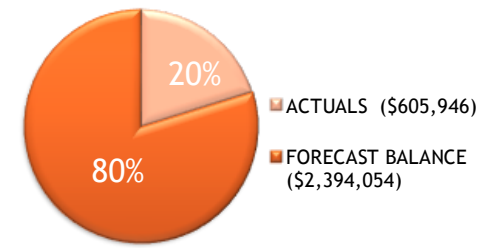


UNFILLED FTE ALLOCATIONS



BASED ON 5 YEAR AVERAGE  
ATTRITION RATE OF 7%

HCM RECOVERY EXPENDITURES  
FORECAST \$3,000,000



EXPENSE DOLLARS ARE AS OF 12/31/13

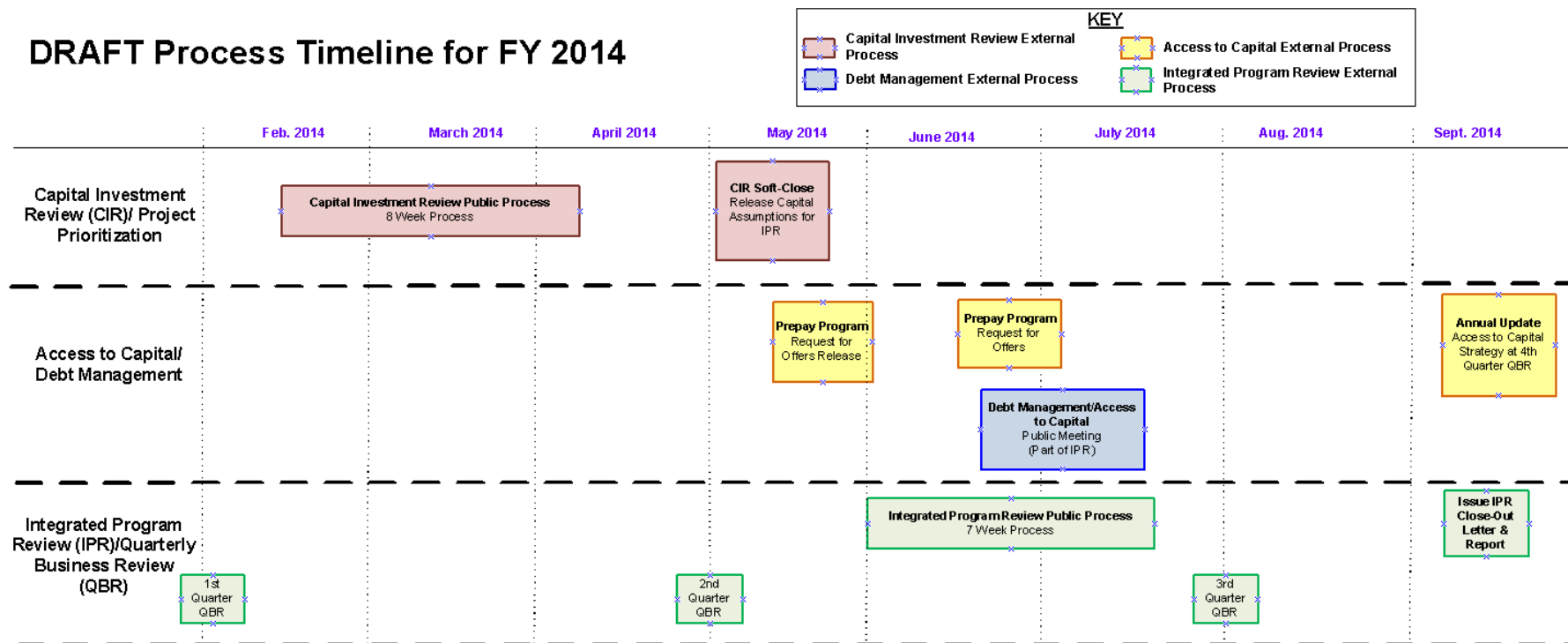
## CFO Spotlight

Nancy Mitman  
Acting CFO

# **CIR/IPR/Debt Management Process Reminder**

Mary Hawken  
Manager, Analysis and Requirements

## DRAFT Process Timeline for FY 2014





## Purpose of each process

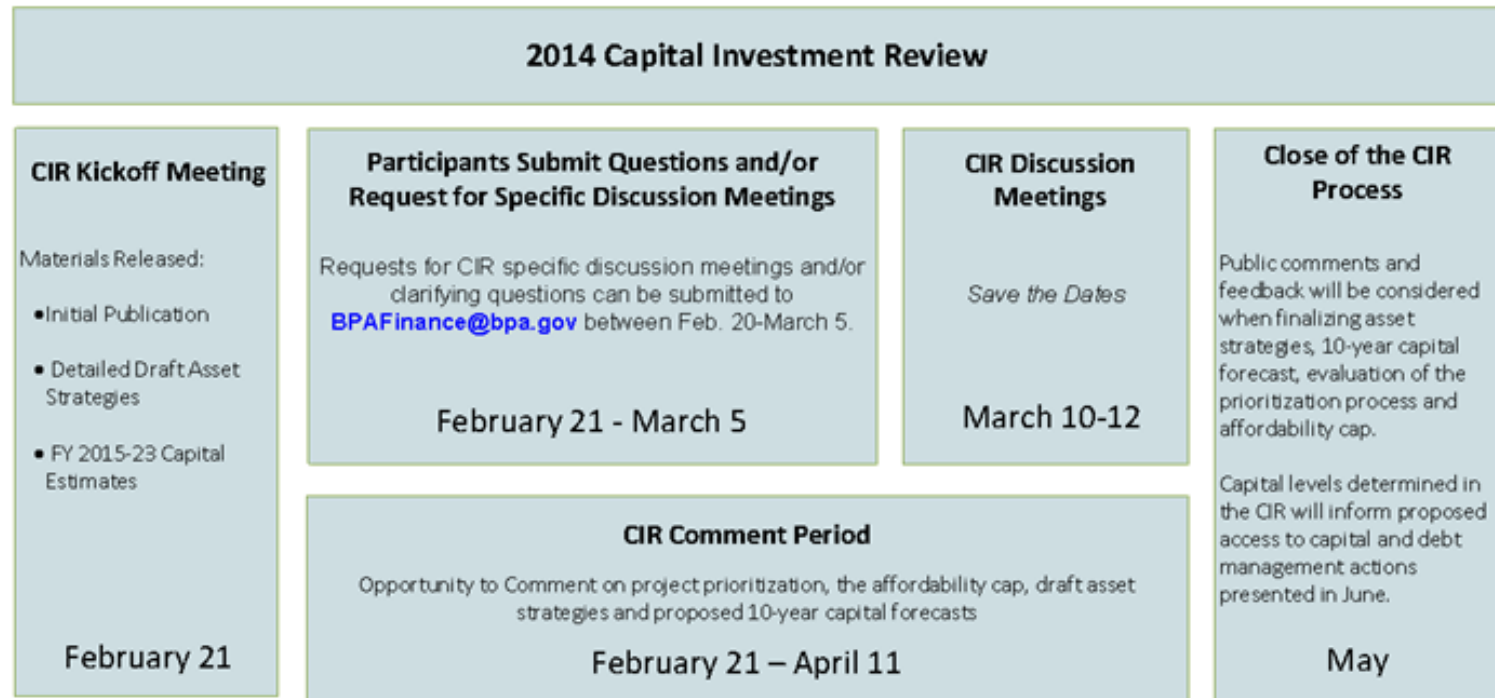
- **Quarterly Business Review (QBR):** provides stakeholders with BPA's financial performance and current year-end forecasts.
- **Capital Investment Review (CIR):** offers stakeholders an opportunity to discuss and provide feedback on BPA's draft asset strategies, 10-year capital forecasts and project prioritization.
- **Integrated Program Review (IPR):** affords participants opportunity to review and comment on BPA's program level estimates prior to spending levels being set for inclusion in the upcoming rate cases.
- **Debt Management Workshops:** provides interested parties an opportunity to collaborate and offer feedback on access to capital issues, financing tools and development of BPA's long-term debt management strategy.

## What's Coming

- **February – March** ~ Capital Investment Review (CIR) Public Process
- **May – July** ~ Integrated Program Review (IPR) Public Process
- **June – July** ~ Debt Management
- **September** ~ Integrated Program Review Close-Out Letter and Report
- **November** ~ Power and Transmission Initial Rate Proposal for FY 2016-2017
- **July 2015** ~ Power and Transmission Final Rate Proposal for FY 2016-2017

## Capital Investment Review (CIR)

- The CIR will cover transmission, federal hydro, facilities, information technology, energy efficiency, fish and wildlife, and other BPA investments.
- BPA will release draft asset management strategies, 10-year capital forecasts and present a prioritized portfolio of investments for review and comment.
- Participants will also be offered 10 days following release of the initial publication to request clarification on material and/or discussion meetings targeting specific CIR areas.



# 2014 Capital Investment Review Webpage

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Surplus Power Sales Reports

## 2014 Capital Investment Review

### Overview of CIR

The Capital Investment Review process allows interested parties to review and comment on BPA's draft Asset Strategies and 10-year capital forecasts. The CIR occurs every two years prior to the Integrated Program Review (IPR). The CIR will cover transmission, federal hydro, facilities, information technology investments, energy efficiency, fish and wildlife, and other BPA investments. We will release BPA's draft asset management strategies, and present a prioritized portfolio of investments for review and comment.

### What Happened in 2012

Based on feedback received during the 2010 IPR and IPR Lessons Learned, BPA has taken steps to develop and communicate information more effectively and efficiently, as well as improve the use of participant and BPA staff time and resources. As a direct result, the CIR public process incorporated the process changes listed below.

### What's Coming in 2014

- The CIR public process is expected to begin in February 2014 and will last approximately 6-8 weeks.
- Information, again, will be centralized into one comprehensive initial publication.
- During the 2012 CIR, BPA proposed developing a method for prioritizing investments. Since then BPA has designed and is now implementing the BPA-wide prioritization process. Results will be shared and discussed during the 2014 CIR process.
- Participants will be offered 10 days to review the initial publication. During this time, participants can request additional capital investment, draft asset strategy, or capital prioritization information and/or discussion meetings targeting specific CIR related areas.
- Program specific discussion meetings will be held in mid-March based on sufficient interest by participants.
- A public comment period will be provided to collect feedback and suggestions to help inform the 2014 IPR for near-term capital spending forecasts.

### CIR Related Communications

- [CFO Invitation Letter to the Region](#)

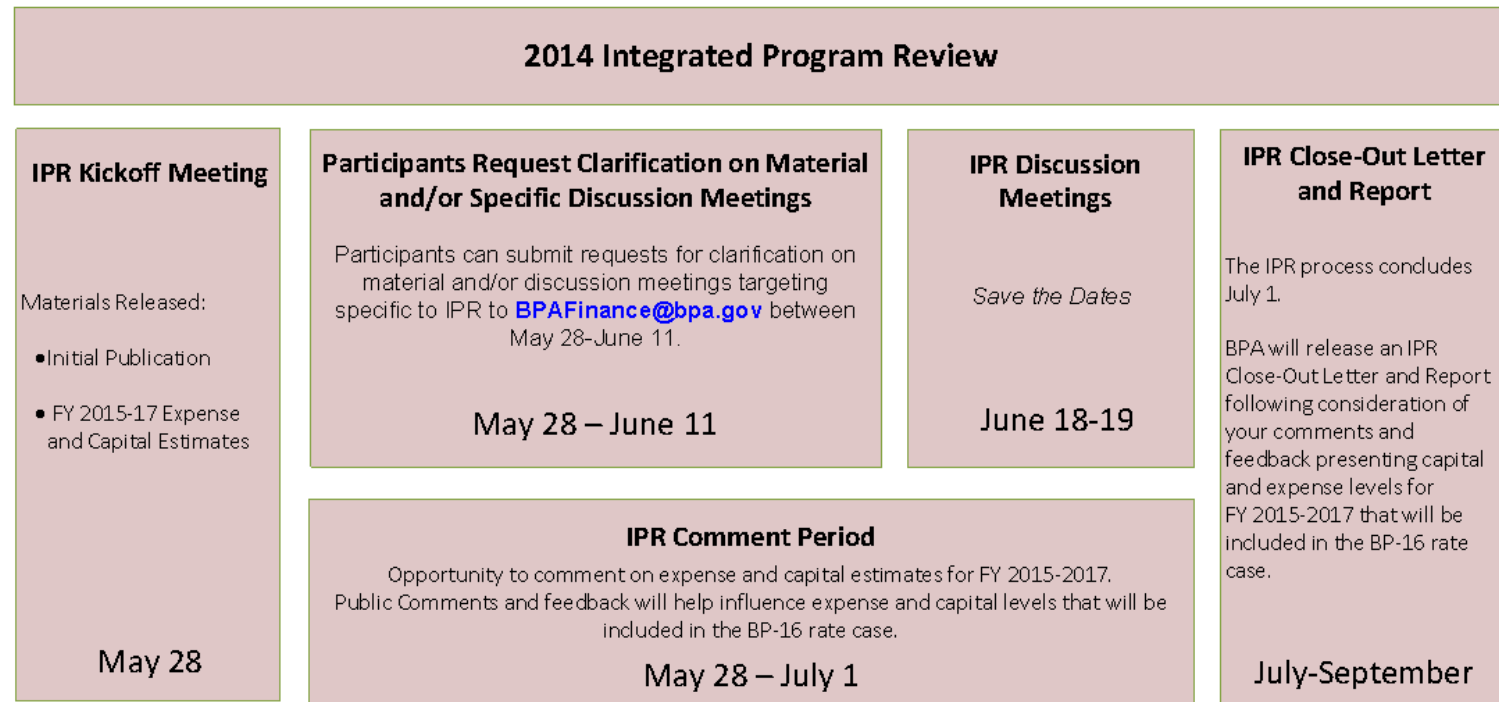
### Get Finance Related Information Directly

BPA offers external stakeholders an opportunity to sign up for BPA's Finance "Master Blaster", an email providing notification of upcoming finance related public processes, scheduled meetings and recently published material. To sign

- <http://www.bpa.gov/Finance/FinancialPublicProcesses/CapitalInvestmentReview/Pages/CIR-2014.aspx>

## 2014 Integrated Program Review (IPR)

- The IPR will cover near-term capital and expense spending forecasts
- BPA will release a comprehensive initial publication review and comment.
- Participants will also be offered 10 days following release of the initial publication to request clarification on material and/or discussion meetings targeting specific IPR areas.



# 2014 Integrated Program Review Webpage

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[IPR 2012](#)
[IPR 2010](#)
[IPR 2009](#)
[IPR 2008](#)
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## 2014 Integrated Program Review

The IPR process allows interested parties to see all relevant FCRPS expense and capital spending level estimates in the same forum. The IPR occurs every two years, or just prior to each rate case, and provides participants with an opportunity to review and comment on BPA's program level estimates prior to spending levels being set for inclusion in rate cases.

### What Happened in 2012

The 2012 IPR offered a new structure designed to maximize the effectiveness of information sharing while minimizing participants time and travel. The new structure featured a comprehensive initial publication and program specific discussion meetings based on stakeholder requests. BPA also hosted a preliminary IPR meeting in support of stakeholder requests to hear thoughts from the region in advance of developing initial IPR spending estimates. The new structure emphasized expense review by shifting review of 10-year capital forecasts and draft asset strategies to the [Capital Investment Review](#) (CIR), held prior to the IPR.

### What's Coming in 2014

- Based on positive feedback received from the 2012 IPR, BPA will once again be hosting a meeting with the region in advance of the IPR process regarding current regional issues and strategic drivers influencing BPA's program spending. This meeting is currently scheduled for **January 8, 2014 from 2pm - 5pm**; additional information can be found in the invitation letter to the region. Material will be posted on this site in advance of the meeting.
- BPA will host the [Capital Investment Review](#) (CIR), separate from and prior to the 2014 IPR. As a direct result, draft asset strategies and long-term capital forecasts will not be addressed in the IPR.
- The IPR public process is expected to begin in June 2014 and will last approximately 6-8 weeks.
- Information, again, will be centralized into one comprehensive initial publication.
- Participants will be offered a two week window following release of the initial publication to provide clarifying questions or request discussion meetings targeting specific program areas.
- Program specific discussion meetings will be held over a series of 2-3 days in July, if there is sufficient interest by participants.
- A public comment period will be provided to collect feedback and suggestions to help inform near-term capital and expense spending forecasts (FY 2016-17) for inclusion in the upcoming BP-16 initial proposal.

### IPR Related Communications

- [Letter to the Region about January 2014 Meeting--](#) **Date change to January 8, 2014**
- [Building the Framework for the 2014 IPR](#)

<http://www.bpa.gov/Finance/FinancialPublicProcesses/IPR/Pages/IPR-2014.aspx>




## 2014 Debt Management

- BPA will conduct a Debt Management Workshop in June.
- The workshop is a follow-up on the Debt Management Strategy Workshop held in October 2013 and will discuss financing tools, including the risks associated with each tool and the availability of tools, as well as share ideas on a long term debt management strategy.

2014 Debt Management			
<b>Initial Debt Management Discussion</b>  <b>Oct 23</b> – Initial Debt Management Discussion Meeting  <b>Oct. 23 – Dec. 11</b> - Public comment period provided to collect feedback on material discussed Oct. 23  <b>Jan. 7</b> – CFO announces next steps for Debt Management Discussion  <b>Oct-January</b>	<b>Debt Management Discussion</b>  This workshop is a follow-up to the Debt Management discussion in October 2013 and will provide an update on access to capital, discuss financing tools and share ideas on a long term debt management strategy.  <i>A specific meeting date will be announced this Spring.</i>  <b>June</b>	<b>Debt Management Comment Period</b>  Opportunity to comment on access to capital, financing tools and initial ideas for a long term debt management strategy.  <b>June-July</b>	<b>Debt Management</b>  Debt management and access to capital discussions will remain ongoing with the public.  BPA will consider the comments and feedback received during the June-July public process for inclusion in the BP-16 rate case and while developing a long term debt management strategy.  <b>July-September</b>

# 2014 Debt Management Webpage

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## Access to Capital

### 2013 Publications & Meetings

#### October 23, 2013 Debt Management Workshop

- [CFO Response Letter on Debt Management Workshop](#)
- [Debt Management Strategy Presentation](#)
  - [Follow-ups from Debt Management Discussion](#)

### 2012 Publications & Meetings

Power Prepayment Materials are now located on the [Power Prepayment Program page](#).

- [CFO Letter Responding to Customer Comments](#)
- [Final Access to Capital Strategy](#)
- [CFO Announces Draft Access to Capital Strategy](#)
- [Draft Access to Capital Strategy](#)
- [Access to Capital Written Follow Up Responses](#)
- [July 26<sup>th</sup> Access to Capital Meeting Material](#)
  - [Access to Capital Key](#)
  - [Current Capital Scenarios](#)
- [Debt Management Written Follow Up Responses from 2012 IPR](#)
- [Access to Capital Backgrounder](#)
- [June 19<sup>th</sup> Debt Management Workshop Material](#)

<http://www.bpa.gov/Finance/FinancialPublicProcesses/Pages/Access-to-Capital.aspx>



# The Public Forum for Discussion Issues

- Scrubbing spending levels, looking at alternatives, prioritizing spending, “rolling up our sleeves to scrub numbers” – **IPR**
- More discussion and understanding of the “Affordability Cap” – **CIR**
- EE Incentive Funding – **Post-2011 Discussions**
  - More information related to the EE Post-2011 Discussion can be found here:  
<http://www.bpa.gov/Energy/N/post-2011/index.cfm>
- Use of Financial Reserves – **Workshop planned in early summer**
- Debt Management alternatives – **Workshop planned in June**

## ***Financial Highlights***

# Financial Overview for FY 2014 through December 31, 2013

## **\*\*UPDATED INFORMATION \*\***

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# Financial Overview for FY 2014 through December 31, 2013

## FCRPS

- Actual Net Revenues through December are \$(20) million. Adjusted Net Revenue are \$23 million.
  - The Adjusted Net Revenue estimate in the start-of-year (SOY) forecast is \$117 million and the rate case forecast is \$138 million.
  - The *(to be revised)* 1st Quarter Review end-of-year forecast is \$111 million, a \$7 million decrease from the SOY forecast and a \$27 million decrease from the rate case. Adjusted Net Revenue are below the SOY forecast due to the dry weather.

## Power Services

- Actual Net Revenues through December are \$(8) million.
  - The start-of-year estimate for the year is \$7 million and the rate case forecast is \$9 million.
  - The *(to be revised)* 1st Quarter Review net revenue forecast is \$(6) million, a \$13 million decrease from the SOY forecast and a \$15 million decrease from the rate case.
  - The 1st Quarter Forecast reflects the exceptionally dry months of November through mid-January experienced thus far and is based on a streamflow forecast that is about 90% of average. Dry weather is expected to continue until the end of January, increasing the need to purchase power to meet loads. Precipitation patterns and resulting streamflows for the remainder of the year remain uncertain.
  - It is still early in the fiscal year and important net revenue drivers such as hydro conditions and electricity market prices remain uncertain.

## Transmission Services

- Actual Net Revenues through December are \$31 million.
  - The Start-of-Year estimate for the year is \$110 million and the Rate Case forecast is \$129 million.
  - The *(to be revised)* 1st Quarter Review forecast is \$117 million, a \$7 million increase from the SOY forecast and a \$12 million decrease from the rate case.
  - The 1st Quarter net revenue forecast is lower than the rate case forecast primarily due to increased cost of regulatory compliance, higher ancillary service, and depreciation expenses.
  - The SOY difference is based primarily on lower than expected interest expense.
  - Based on the 1st Quarter forecast, Transmission Services is still expected to come within its start of year target range.

**Federal Columbia River Power System (FCRPS)  
FY 2014 FIRST QUARTER REVIEW**

**Net Revenues and Reserves**

**Projection for FY 2014**



**January 31, 2014**

# 1<sup>st</sup> Quarter Review – Executive Highlights

(\$ in Millions)

	A	B	C
	FY 2013 Actuals <sup>/2</sup>	FY 2014 Start of Year <sup>/2</sup>	FY 2014 Current Quarter Review <sup>/2</sup>
1. Revenues <sup>/1</sup>	3,413	3,508	3,509
2. Expenses <sup>/1</sup>	3,518	3,561	3,569
3. Net Revenues <sup>/1,3</sup>	(105)	(54)	(61) <sup>/7</sup>
4. Adjusted Net Revenue <sup>/4</sup>	56	117	111 <sup>/7</sup>
5. End of Year Financial Reserves <sup>/5</sup>	1,272	1,272	911 <sup>/7</sup>
6. BPA Accrued Capital Expenditures <sup>/6</sup>	632	838	677

## Footnotes

<1 The actuals for Revenues, Expenses and Net Revenues are audited.

<2 Does not reflect power "bookout" transactions.

<3 Net revenues include the effects of non-federal debt management. An example of non-federal debt management is the refinancing of EN debt.

<4 Adjusted Net Revenue is calculated by adding Power Services and Transmission Services Net Revenues.

<5 Financial reserves consist of BPA cash, investments in U.S. Treasury market-based special securities and deferred borrowing.

<6 Funded by borrowing from the U.S. Treasury.

<7 There is significant uncertainty regarding the potential results that could occur by the end of the year, mainly a result of water conditions, which may affect net secondary sales, and short-term market prices.

# **FY 2014 First Quarter Financial Results & First Quarter Forecast**

Report ID: 0023FY14

**Transmission Services Summary Statement of Revenues and Expenses**

Run Date/Time: January 23, 2014/ 04:20

Requesting BL: TRANSMISSION BUSINESS UNIT

Through the Month Ended December 31, 2013

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 25%

	FY 2013		FY 2014		FY 2014	
	Actuals: FYTD	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals: FYTD
<b>Operating Revenues</b>						
1 Sales	\$ 202,368	\$ 803,690	\$ 880,697	\$ 885,210	\$ 892,634	\$ 223,326
2 Miscellaneous Revenues	11,077	54,007	34,349	34,357	31,801	9,161
3 Inter-Business Unit Revenues	30,190	122,177	111,560	108,273	101,217	21,955
4 <b>Total Operating Revenues</b>	<b>243,635</b>	<b>979,873</b>	<b>1,026,607</b>	<b>1,027,840</b>	<b>1,025,652</b>	<b>254,443</b>
<b>Operating Expenses</b>						
5 Transmission Operations	29,848	114,942	140,729	137,877	137,129	32,336
6 Transmission Maintenance	31,490	146,933	154,233	154,348	155,545	31,443
7 Transmission Engineering	8,689	45,876	41,638	41,627	45,561	10,932
8 Trans Services Transmission Acquisition and Ancillary Services	38,993	156,807	131,287	144,052	152,946	41,082
9 Transmission Reimbursables	9,606	27,225	10,530	10,333	8,822	3,373
BPA Internal Support						
10 Additional Post-Retirement Contribution	4,455	17,820	18,501	18,501	18,501	4,625
11 Agency Services G&A	13,370	59,868	59,927	62,713	63,605	15,337
12 Other Income, Expenses & Adjustments	25	(1,629)	-	-	(2,238)	(1,038)
13 Depreciation & Amortization	48,764	206,545	197,316	208,515	208,515	52,265
14 <b>Total Operating Expenses</b>	<b>185,239</b>	<b>774,388</b>	<b>754,161</b>	<b>777,966</b>	<b>788,385</b>	<b>190,356</b>
15 <b>Net Operating Revenues (Expenses)</b>	<b>58,395</b>	<b>205,486</b>	<b>272,446</b>	<b>249,874</b>	<b>237,267</b>	<b>64,087</b>
<b>Interest Expense and (Income)</b>						
16 Interest Expense	41,452	174,430	190,047	183,343	165,087	43,216
17 AFUDC	(7,771)	(26,855)	(36,477)	(32,200)	(34,600)	(9,016)
18 Interest Income	(2,869)	(13,493)	(9,647)	(10,921)	(10,197)	(1,381)
19 <b>Net Interest Expense (Income)</b>	<b>30,811</b>	<b>134,082</b>	<b>143,923</b>	<b>140,222</b>	<b>120,290</b>	<b>32,818</b>
20 <b>Net Revenues (Expenses)</b>	<b>\$ 27,584</b>	<b>\$ 71,404</b>	<b>\$ 128,523</b>	<b>\$ 109,652</b>	<b>\$ 116,977</b>	<b>\$ 31,269</b>

<1 Although the forecasts in this report are presented as point estimates, BPA operates a hydro-based system that encounters much uncertainty regarding water supply and wholesale market prices. These uncertainties, among other factors, may result in large range swings +/- impacting the final results in revenues, expenses, and cash reserves.



Report ID: 0023FY14

Requesting BL: TRANSMISSION BUSINESS UNIT

Unit of Measure: \$ Thousands

**QBR Forecast Analysis: Transmission Services**

Through the Month Ended December 31, 2013

Preliminary/ Unaudited

Run Date/Time: January 23, 2014/ 04:20

Data Source: EPM Data Warehouse

% of Year Elapsed = 25%

		A	B	C
		FY 2014		FY 2014
		SOY Budget	Current EOY Forecast	Current EOY Forecast - SOY Budget
<b>Operating Revenues</b>				
1	Sales	\$ 885,210	\$ 892,634	\$ 7,424
2	Miscellaneous Revenues	34,357	31,801	(2,556)
3	Inter-Business Unit Revenues	108,273	101,217	(7,056)
4	<b>Total Operating Revenues</b>	<b>1,027,840</b>	<b>1,025,652</b>	<b>(2,188)</b>
<b>Operating Expenses</b>				
5	Transmission Operations	137,877	137,129	(748)
6	Transmission Maintenance	154,348	155,545	1,197
7	Transmission Engineering	41,627	45,561	3,933
8	Trans Services Transmission Acquisition and Ancillary Services	144,052	152,946	8,894
9	Transmission Reimbursables	10,333	8,822	(1,511)
	BPA Internal Support			
10	Additional Post-Retirement Contribution	18,501	18,501	
11	Agency Services G&A	62,713	63,605	892
12	Other Income, Expenses & Adjustments	-	(2,238)	(2,238)
13	Depreciation & Amortization	208,515	208,515	
14	<b>Total Operating Expenses</b>	<b>777,966</b>	<b>788,385</b>	<b>10,419</b>
15	<b>Net Operating Revenues (Expenses)</b>	<b>249,874</b>	<b>237,267</b>	<b>(12,607)</b>
<b>Interest Expense and (Income)</b>				
16	Interest Expense	183,343	165,087	(18,256)
17	AFUDC	(32,200)	(34,600)	(2,400)
18	Interest Income	(10,921)	(10,197)	724
19	<b>Net Interest Expense (Income)</b>	<b>140,222</b>	<b>120,290</b>	<b>(19,932)</b>
20	<b>Net Revenues (Expenses)</b>	<b>\$ 109,652</b>	<b>\$ 116,977</b>	<b>\$ 7,325</b>

Report ID: 0063FY14

**Transmission Services Revenue Detail by Product**

Run Date/Time: January 23, 2014 04:18

Requesting BL: TRANSMISSION BUSINESS UNIT Through the Month Ended December 31, 2013

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 25%

		A	B	C	D
		FY 2014			FY 2014
		Rate Case	SOY Budget	Current EOY Forecast	Actuals
<b>Transmission Services Operating Revenues</b>					
<b>NETWORK</b>					
1	PTP - LONG TERM	\$ 425,004	\$ 422,291	\$ 419,664	\$ 103,848
2	NETWORK INTEGRATION	127,650	127,650	126,476	34,609
3	INTEGRATION OF RESOURCES	22,328	22,328	22,328	6,421
4	FORMULA POWER TRANSMISSION	29,940	28,982	28,982	7,319
5	PTP - SHORT TERM	28,301	25,635	19,670	1,789
6	<b>TOTAL: NETWORK</b>	<b>633,223</b>	<b>626,887</b>	<b>617,119</b>	<b>153,987</b>
<b>ANCILLARY SERVICES</b>					
7	SCHEDULING, SYSTEM CONTROL & DISPATCH	122,424	121,231	119,577	29,582
8	OPERATING RESERVES - SPIN & SUPP	41,162	45,514	56,408	12,684
9	VARIABLE RES BALANCING	58,631	58,617	58,800	14,660
10	REGULATION & FREQ RESPONSE	5,991	5,991	5,985	1,601
11	ENERGY & GENERATION IMBALANCE	-	4,248	5,348	821
12	DISPATCHABLE RES BALANCING	3,116	3,191	2,963	619
13	<b>TOTAL: ANCILLARY SERVICES</b>	<b>231,324</b>	<b>238,792</b>	<b>249,080</b>	<b>59,967</b>
<b>INTERTIE</b>					
14	SOUTHERN INTERTIE LONG TERM	81,551	81,788	81,788	20,482
15	SOUTHERN INTERTIE SHORT TERM	4,187	4,045	3,819	358
16	MONTANA INTERTIE LONG TERM	115	115	115	29
17	MONTANA INTERTIE SHORT TERM	-	-	-	-
18	<b>TOTAL: INTERTIE</b>	<b>85,853</b>	<b>85,948</b>	<b>85,722</b>	<b>20,869</b>

Report ID: 0063FY14

**Transmission Services Revenue Detail by Product**

Run Date/Time: January 23, 2014 04:18

Requesting BL: TRANSMISSION BUSINESS UNIT Through the Month Ended December 31, 2013

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 25%

		A	B	C	D
		FY 2014			FY 2014
		Rate Case	SOY Budget	Current EOY Forecast	Actuals
<b>OTHER REVENUES &amp; CREDITS</b>					
19	TOWNSEND-GARRISON TRANS	\$ 12,421	\$ 12,421	\$ 12,421	\$ 3,105
20	GEN INTEGRATION - OTHER REV	9,296	9,296	9,296	2,325
21	USE OF FACILITIES	5,147	5,147	5,091	1,269
22	POWER FACTOR PENALTY	3,566	3,566	3,479	692
23	NFP - DEPR PNW PSW INTERTIE	2,943	2,943	3,036	815
24	AC - PNW PSW INTERTIE - OTH REV	1,594	1,603	1,620	413
25	OPERATIONS & MAINT - OTHER REV	1,054	1,054	1,042	259
26	COE & BOR PROJECT REV	954	954	954	239
27	RESERVATION FEE - OTHER REV	316	316	776	461
28	TRANSMISSION SHARE IRRIGATION	382	382	382	21
29	LAND LEASES AND SALES	301	301	455	14
30	OTHER LEASES REVENUE	84	84	128	7
31	REMEDIAL ACTION - OTHER REV	51	51	49	9
32	MISC SERVICES - LOSS-EXCH-AIR	100	100	155	67
33	FAILURE TO COMPLY - OTHER REV	-	-	52	168
34	UNAUTHORIZED INCREASE - OTH REV	-	-	103	128
35	OTHER REVENUE SOURCES	-	-	-	(49)
36	<b>TOTAL: OTHER REVENUES &amp; CREDITS</b>	<b>38,209</b>	<b>38,216</b>	<b>39,039</b>	<b>9,946</b>
<b>FIBER &amp; PCS</b>					
37	FIBER OTHER REVENUE	7,876	7,876	9,232	2,804
38	WIRELESS/PCS - OTHER REVENUE	4,861	4,861	4,621	1,378
39	WIRELESS/PCS - REIMBURSABLE REV	1,185	1,185	1,172	518
40	FIBER OTHER REIMBURSABLE REV	1,157	1,157	932	361
41	<b>TOTAL: FIBER &amp; PCS</b>	<b>15,080</b>	<b>15,080</b>	<b>15,958</b>	<b>5,062</b>
<b>REIMBURSABLE</b>					
42	REIMBURSABLE - OTHER REVENUE	17,019	17,019	12,937	3,237
43	ACCRUAL REIMBURSABLE	-	-	-	-
44	<b>TOTAL: REIMBURSABLE</b>	<b>17,019</b>	<b>17,019</b>	<b>12,937</b>	<b>3,237</b>
<b>DELIVERY</b>					
45	UTILITY DELIVERY CHARGES	3,266	3,266	3,165	718
46	DSI DELIVERY	2,633	2,633	2,633	658
47	<b>TOTAL: DELIVERY</b>	<b>5,899</b>	<b>5,899</b>	<b>5,797</b>	<b>1,376</b>
48	<b>TOTAL: Transmission Services Operating Revenues</b>	<b>\$ 1,026,607</b>	<b>\$ 1,027,840</b>	<b>\$ 1,025,652</b>	<b>\$ 254,443</b>

Report ID: 0021FY14		Power Services Summary Statement of Revenues and Expenses			Run Date/Time: January 23, 2014 04:19	
Requesting BL: POWER BUSINESS UNIT		Through the Month Ended December 31, 2013			Data Source: EPM Data Warehouse	
Unit of measure: \$ Thousands		Preliminary/ Unaudited			% of Year Elapsed = 25%	
		A	B	C	D	E <Note 1
		FY 2013		FY 2014		FY 2014
		Actuals: FYTD	Actuals	Rate Case	SOY Budget	Current EOY Forecast
<b>Operating Revenues</b>						
1	Gross Sales (excluding bookout adjustment) <Note 2	\$ 612,967	\$ 2,438,468	\$ 2,434,517	\$ 2,450,598	\$ 2,453,572
2	Bookout Adjustment to Sales	(22,175)	(66,587)	-	-	(8,085)
3	Miscellaneous Revenues	6,550	28,013	29,689	35,816	31,083
4	Inter-Business Unit	34,448	143,689	117,696	128,405	135,643
5	U.S. Treasury Credits	26,555	88,692	101,773	101,773	99,559
6	<b>Total Operating Revenues</b>	<b>658,345</b>	<b>2,632,274</b>	<b>2,683,675</b>	<b>2,716,591</b>	<b>2,711,773</b>
<b>Operating Expenses</b>						
Power System Generation Resources						
Operating Generation Resources						
7	Columbia Generating Station	88,639	330,066	298,751	300,514	300,040
8	Bureau of Reclamation	24,929	127,116	140,601	140,601	140,601
9	Corps of Engineers	45,483	208,096	225,687	225,687	225,687
10	Long-term Contract Generating Projects	5,891	22,518	25,999	25,284	22,443
11	Operating Generation Settlement Payment	5,351	22,122	21,405	21,405	21,405
12	Non-Operating Generation	554	(25,878)	2,206	2,400	2,400
13	Gross Contracted Power Purchases and Aug Power Purchases	62,379	220,987	76,915	95,444	165,402
14	Bookout Adjustment to Power Purchases	(22,175)	(66,587)	-	-	(8,085)
15	Residential Exchange/IOU Settlement Benefits <Note 2	50,735	201,933	201,919	201,919	201,919
16	Renewables	5,577	30,463	39,799	39,807	40,189
17	Generation Conservation	7,087	36,078	48,408	55,760	47,443
18	<b>Subtotal Power System Generation Resources</b>	<b>274,451</b>	<b>1,106,913</b>	<b>1,081,689</b>	<b>1,108,822</b>	<b>1,159,443</b>
19	Power Services Transmission Acquisition and Ancillary Services	36,425	162,351	164,845	164,311	156,523
20	Power Non-Generation Operations	18,944	79,302	92,156	89,980	89,381
21	Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	72,963	277,802	295,238	295,238	295,238
BPA Internal Support						
22	Additional Post-Retirement Contribution	4,455	17,820	18,501	18,501	18,501
23	Agency Services G&A	11,772	52,108	55,102	59,353	57,204
24	Other Income, Expenses & Adjustments	2	(127)	-	-	(68)
25	Non-Federal Debt Service	126,497	518,536	514,848	515,983	515,984
26	Depreciation & Amortization	55,126	223,172	224,447	227,870	227,870
27	<b>Total Operating Expenses</b>	<b>600,635</b>	<b>2,437,878</b>	<b>2,446,827</b>	<b>2,480,057</b>	<b>2,520,075</b>
28	<b>Net Operating Revenues (Expenses)</b>	<b>57,710</b>	<b>194,397</b>	<b>236,849</b>	<b>236,534</b>	<b>191,698</b>
<b>Interest Expense and (Income)</b>						
29	Interest Expense	55,886	235,578	254,797	255,092	222,714
30	AFUDC	(3,543)	(10,674)	(11,168)	(11,900)	(11,400)
31	Interest Income	(1,783)	(15,444)	(15,845)	(13,894)	(13,473)
32	<b>Net Interest Expense (Income)</b>	<b>50,560</b>	<b>209,460</b>	<b>227,784</b>	<b>229,298</b>	<b>197,841</b>
33	<b>Net Revenues (Expenses)</b>	<b>\$ 7,150</b>	<b>\$ (15,064)</b>	<b>\$ 9,065</b>	<b>\$ 7,236</b>	<b>\$ (6,143)</b>

<1 Although the forecasts in this report are presented as point estimates, BPA operates a hydro-based system that encounters much uncertainty regarding water supply and wholesale market prices. These uncertainties, among other factors, may result in large range swings +/- impacting the final results in revenues, expenses, and cash reserves.

<2 The Residential Exchange Program expenses reflect the Scheduled Amount of REP benefit payments established in the 2012 REP Settlement Agreement. The Scheduled Amount of REP benefit payments incorporates a \$76,537,617 reduction in REP benefits to provide Refund Amount payments to COUs. The Refund Amount returned to the COUs is reflected through a reduction in the Gross Sales amount.

Report ID: 0021FY14

Requesting BL: POWER BUSINESS UNIT

Unit of measure: \$ Thousands

**QBR Forecast Analysis: Power Services**

Through the Month Ended December 31, 2013

Preliminary/ Unaudited

Run Date/Time: January 23, 2014 04:19

Data Source: EPM Data Warehouse

% of Year Elapsed = 25%

		A	B	C
		FY 2014		FY 2014
		SOY Budget	Current EOY Forecast	Current EOY Forecast - SOY Budget
<b>Operating Revenues</b>				
1	Gross Sales (excluding bookout adjustment)	\$ 2,450,598	\$ 2,453,572	\$ 2,975
2	Bookout Adjustment to Sales	-	(8,085)	(8,085)
3	Miscellaneous Revenues	35,816	31,083	(4,733)
4	Inter-Business Unit	128,405	135,643	7,239
5	U.S. Treasury Credits	101,773	99,559	(2,214)
6	<b>Total Operating Revenues</b>	<b>2,716,591</b>	<b>2,711,773</b>	<b>(4,819)</b>
<b>Operating Expenses</b>				
Power System Generation Resources				
Operating Generation Resources				
7	Columbia Generating Station	300,514	300,040	(474)
8	Bureau of Reclamation	140,601	140,601	
9	Corps of Engineers	225,687	225,687	
10	Long-term Contract Generating Projects	25,284	22,443	(2,841)
11	Operating Generation Settlement Payment	21,405	21,405	
12	Non-Operating Generation	2,400	2,400	-
13	Gross Contracted Power Purchases and Aug Power Purchases	95,444	165,402	69,957
14	Bookout Adjustment to Power Purchases	-	(8,085)	(8,085)
15	Residential Exchange/IOU Settlement Benefits	201,919	201,919	
16	Renewables	39,807	40,189	382
17	Generation Conservation	55,760	47,443	(8,318)
18	<b>Subtotal Power System Generation Resources</b>	<b>1,108,822</b>	<b>1,159,443</b>	<b>50,621</b>
19	Power Services Transmission Acquisition and Ancillary Services	164,311	156,523	(7,788)
20	Power Non-Generation Operations	89,980	89,381	(599)
21	Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	295,238	295,238	
BPA Internal Support				
22	Additional Post-Retirement Contribution	18,501	18,501	
23	Agency Services G&A	59,353	57,204	(2,149)
24	Other Income, Expenses & Adjustments	-	(68)	(68)
25	Non-Federal Debt Service	515,983	515,984	1
26	Depreciation & Amortization	227,870	227,870	
27	<b>Total Operating Expenses</b>	<b>2,480,057</b>	<b>2,520,075</b>	<b>40,018</b>
28	<b>Net Operating Revenues (Expenses)</b>	<b>236,534</b>	<b>191,698</b>	<b>(44,836)</b>
<b>Interest Expense and (Income)</b>				
29	Interest Expense	255,092	222,714	(32,378)
30	AFUDC	(11,900)	(11,400)	500
31	Interest Income	(13,894)	(13,473)	421
32	<b>Net Interest Expense (Income)</b>	<b>229,298</b>	<b>197,841</b>	<b>(31,457)</b>
33	<b>Net Revenues (Expenses)</b>	<b>\$ 7,236</b>	<b>\$ (6,143)</b>	<b>\$ (13,379)</b>

Report ID: 0064FY14

**Power Services Detailed Statement of Revenues by Product**

Run Date\Time: January 23, 2014 04:18

Requesting BL: POWER BUSINESS UNIT

Through the Month Ended December 31, 2013

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

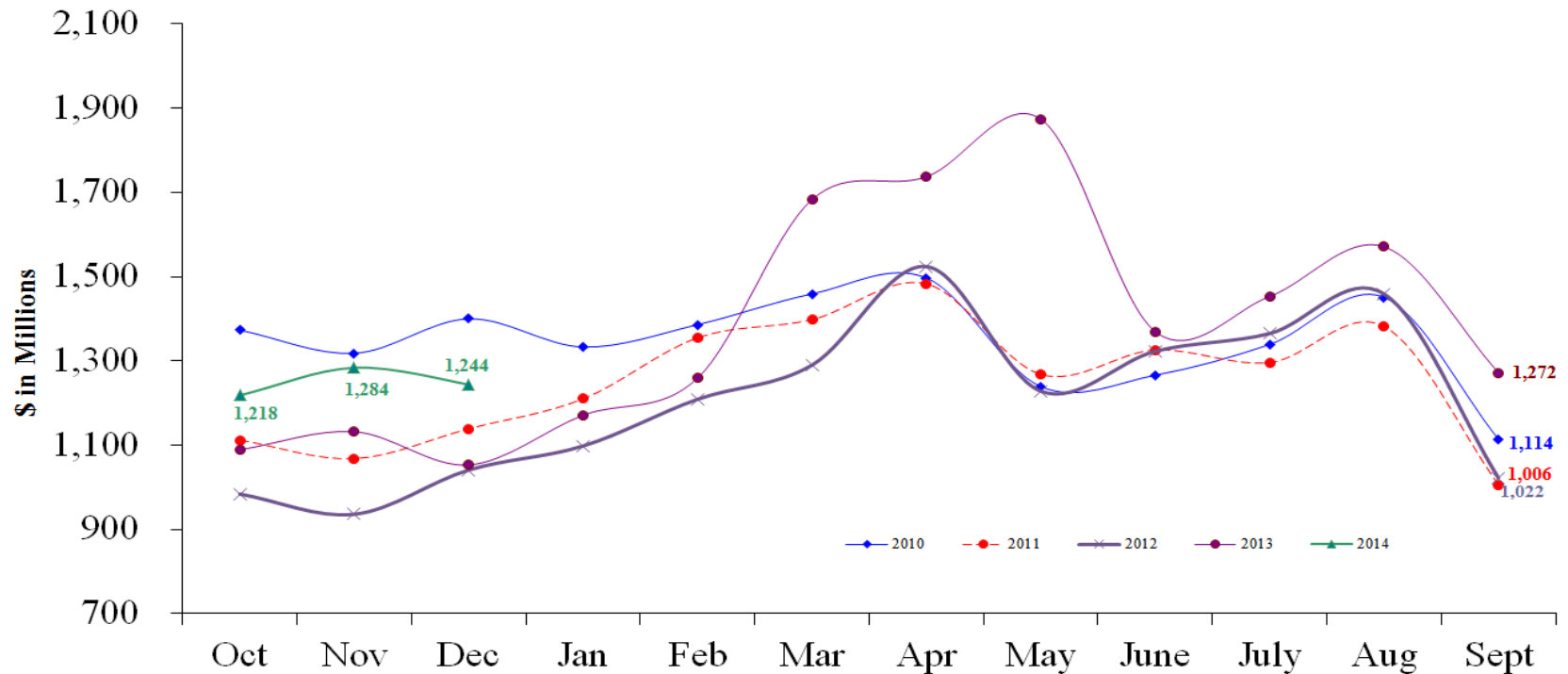
Preliminary/ Unaudited

% of Year Elapsed = 25%

		A	B	C	D
		FY 2014		FY 2014	FY 2014
		Rate Case	SOY Budget	Actuals	Actuals per Rate Case
<b>Operating Revenues</b>					
<b>Gross Sales (excluding bookout adjustment)</b>					
<b>PF Tier 1 Revenues</b>					
<b>Load Following</b>					
1	Composite	\$ 1,076,106	\$ 1,076,106	\$ 269,686	25%
2	Non-Slice	(165,482)	(165,482)	(41,507)	25%
3	Load Shaping	6,306	6,306	(2,542)	-140%
4	Demand	42,954	42,954	16,594	39%
5	Discounts / Fees	(44,565)	(44,565)	(7,079)	16%
6	RSS / RSC	430	430	84	19%
7	REP Refund	(33,152)	(33,152)	(8,288)	25%
8	Other	-	-	(146)	0%
9	<b>Sub-Total: Load Following</b>	882,597	882,597	226,800	26%
<b>Block</b>					
10	Composite	606,124	606,124	149,856	25%
11	Non-Slice	(93,209)	(93,209)	(23,062)	25%
12	Load Shaping	(2,884)	(2,884)	6,809	-336%
13	Demand	-	-	-	0%
14	Discounts / Fees	(4,837)	(4,837)	-	-100%
15	RSS / RSC	-	-	-	0%
16	REP Refund	(22,711)	(22,711)	(5,169)	23%
17	Other	-	-	(123)	0%
18	<b>Sub-Total: Block</b>	482,483	482,483	128,311	27%
<b>Slice</b>					
19	Composite	626,613	626,613	156,654	25%
20	Slice	-	-	-	0%
21	Discounts / Fees	(4,717)	(4,717)	(840)	18%
22	REP Refund	(20,674)	(20,674)	(5,678)	27%
23	Other	-	-	-	0%
24	<b>Sub-Total: Slice</b>	601,222	601,222	150,136	25%
25	<b>PF Tier 2 Revenues</b>	5,502	5,502	1,388	25%
26	<b>NR Revenues</b>	-	-	-	0%
27	<b>IP Revenues</b>	106,510	106,583	29,869	28%
28	<b>FPS Revenues</b>	325,277	342,087	56,452	17%
29	<b>Other Revenues</b>	30,926	30,123	14,654	47%
30	<b>Gross Sales (excluding bookout adjustment)</b>	2,434,517	2,450,598	607,611	25%
31	<b>Bookout Adjustment to Sales</b>	-	-	(8,085)	0%
32	<b>Miscellaneous Revenues</b>	29,689	35,816	6,510	22%
33	<b>Inter-Business Unit</b>	117,696	128,405	38,554	33%
34	<b>U.S. Treasury Credits</b>	101,773	101,773	29,489	29%
35	<b>Total Operating Revenues</b>	<b>2,683,675</b>	<b>2,716,591</b>	<b>674,079</b>	<b>25%</b>

# Financial Reserves

Reserves as of the end of December 2013 are \$1,244 million



*Unaudited*

Q1 - End of FY14 Reserves Forecast

(\$ Millions)

End FY14 Reserves Forecast

Less: End of FY14 Reserves Not for Risk Forecast

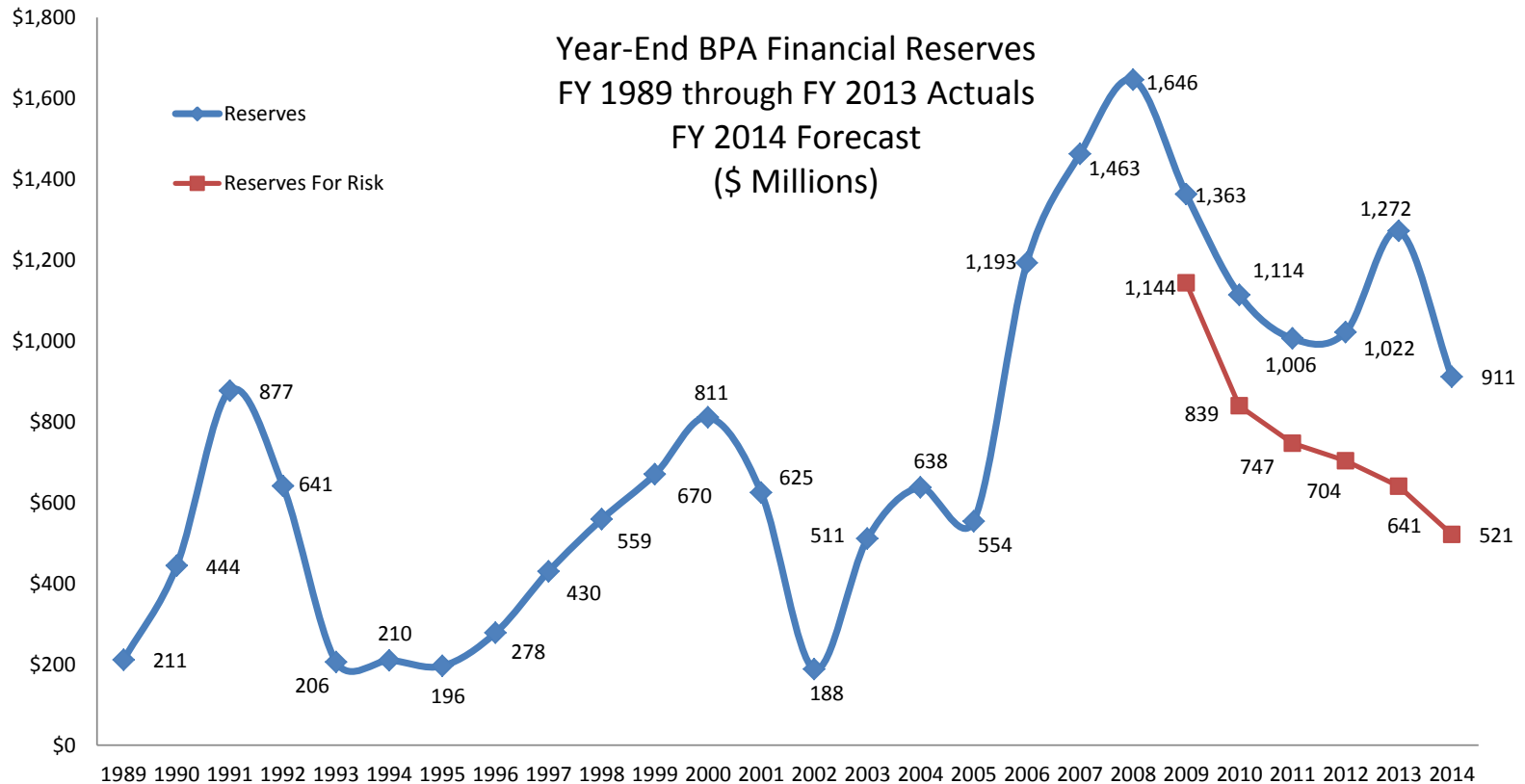
Reserves Available for Risk Forecast

Split		
Power	Trans	Total
396	514	911
283	108	390
114	407	521

\* May not add due to rounding.



# BPA Financial Reserves FY 1989 - FY 2013



## Noteworthy Events

Energy Northwest  
Refinancing

Low Aluminum Prices  
(VR Price)

Rising Power  
Market Prices

Direct Pay  
In Effect

Unanticipated Fish Flow Costs

Energy Northwest  
Debt Service  
Reserve Free Ups

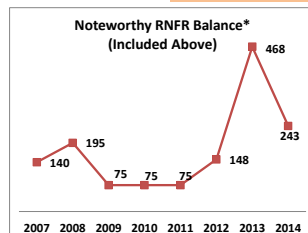
ST Note Available

Higher O&M Expenses

2008  
\$300M

2009-2014  
\$750M

Power  
Prepayment  
Funds



\* Noteworthy Reserves Not For Risk (RNFR) Balance include - Cal ISO Settlement and Prepayment Funds.



# **Slice Reporting Composite Cost Pool Review Forecast of Annual Slice True-Up Adjustment**

Craig Larson  
Public Utilities Specialist

## Q1 Forecast of FY 2014 Slice True-Up Adjustment

	<b>FY 2014 Forecast \$ in thousands</b>
February 4, 2014 First Quarter Business Review	(\$10,491)
April 29, 2014 Second Quarter Business Review	
Aug 5, 2014 Third Quarter Business Review	
November 5, 2014 Fourth Quarter Business Review	
Actual Slice True-Up Adjustment Charge/Credit (negative amount = credit on bill)	

## Summary of Differences From Q1 Forecast to FY 14 (BP-14)

#		Composite Cost Pool True- Up Table Reference	Q1 – FY 14 \$ in thousands
1	Total Expenses	Row 109	(\$27,215)
2	Total Revenue Credits	Rows 128 + 137	\$23,837
3	Minimum Required Net Revenue	Row 149	(\$12,615)
4	TOTAL Composite Cost Pool (1 - 2 + 3) (\$27,215K) – \$23,837K+ (\$12,615K ) = (\$38,427K)	Row 151	(\$38,437)
5	TOTAL in line 4 divided by <u>0.9755924</u> sum of TOCAs (\$38,437K) / ( <u>0.9755924</u> ) = (\$38,399K)	Row 156	(\$38,399)
6	<b>Q1 Forecast of FY 14 True-up Adjustment</b> <b>26.62752 percent of Total in line 5</b> <b>0.2662752 * (\$38,399K) = (\$10,491K)</b>	Row 157	<b>(\$10,491)</b>

## Lower Level Differences From Q1 Forecast to FY14 (BP-14)

#	Line Item of Values Changed Over \$2M	Composite Cost Pool True-Up Table Reference	Q1 – FY 2014 Rate Case (\$ in thousands)
1	Long-Term Contract Gen Projects	Row 7	\$ (3,556)
2	System Obligations	Row 20	\$ 11,195
3	Agency Services G&A	Row 81	\$ 2,102
4	Depreciation	Row 100	\$ 5,492
5	Amortization	Row 101	\$ (2,070)
6	Net Interest Expense	Row 105	\$(39,079)
7	Generation Inputs	Row 112	\$ 17,948
8	Downstream Benefits and Pumping revenues	Row 113	\$ 3,213
9	4(h)(10)(c) credit	Row 114	\$ (2,214)
10	WNP-3 Settlement revenues	Row 121	\$ 6,638
11	Depreciation	Row 142	\$ 5,492
12	Amortization	Row 143	\$ (2,070)
13	Bond Call Premium/Discount	Row 145	\$(19,562)

## Composite Cost Pool Interest Credit

Allocation of Interest Earned on the Bonneville Fund			
(\$ in thousands)			
		<u>Final EOY 2013</u>	<u>Q1 2014</u>
1	Reserves Prior to FY 2002	570,255	570,255
2	Adjustments for pre-2002 Items	-	-
3	Reserves for Composite Cost Pool (Line 1 + Line 2)	570,255	570,255
4	Composite Interest Rate	2.25%	2.36%
5	Composite Interest Credit	(12,835)	(13,447)
6	Prepay Offset Credit	(6,467)	(8,194)
7	Total Interest Credit for Power Services	(15,444)	(13,473)
8	Non-Slice Interest Credit (Line 7 - (Line 5+6))	3,859	8,168

## Net Interest Expense in Slice True-Up Forecast

	<i>\$ in thousands</i>	<i>\$ in thousands</i>
	<b><u>2014 Rate Case</u></b>	<b><u>Q1 Forecast</u></b>
▪ Federal Appropriation	\$222,306	\$221,082
▪ Capitalization Adjustment	(\$45,937)	(\$45,937)
▪ Borrowings from US Treasury	\$ 63,653	\$ 32,794 <sup>1</sup>
▪ <u>Prepay Interest Expense</u>	<u>\$ 14,775</u>	<u>\$ 14,775</u>
▪ Interest Expense	\$254,797	\$222,714
▪ AFUDC	(\$11,168)	(\$11,400)
▪ Interest Income (composite)	(\$ 7,927)	(\$13,447)
▪ <u>Prepay Offset Credit</u>	<u>(\$ 6,950)</u>	<u>(\$ 8,194)</u>
▪ Total Net Interest Expense	\$228,752	\$189,674 <sup>2</sup>

Note:

1. A Bond Call Discount of (\$19.562 million) is in the Borrowings from US Treasury and shown in MRNR as a non-cash reduction in interest expense.
2. Rounding.

# **FY 2014 First Quarter Capital Financial Results & FY 2014 First Quarter Forecast**

Report ID: 0027FY14

Requesting BL: CORPORATE BUSINESS UNIT

Unit of Measure: \$Thousands

**QBR Forecast Analysis: BPA Capital Expenditures**

FYTD Through the Month Ended December 31, 2013

Preliminary Unaudited

Run Date/Run Time: January 23, 2014 04:23

Data Source: EPM Data Warehouse

% of Year Elapsed = 25%

		A	B	C
		FY 2014		FY 2014
		SOY Budget	Current EOY Forecast	Current EOY Forecast - SOY Budget
<b>Transmission Business Unit</b>				
1	MAIN GRID	\$ 131,305	\$ 141,079	\$ 9,774
2	AREA & CUSTOMER SERVICE	27,133	15,165	(11,968)
3	SYSTEM REPLACEMENTS	233,973	239,136	5,163
4	UPGRADES & ADDITIONS	256,548	216,965	(39,583)
5	ENVIRONMENT CAPITAL	6,804	6,602	(202)
	PFIA	-	-	-
6	MISC. PFIA PROJECTS	4,802	3,552	(1,250)
7	GENERATOR INTERCONNECTION	10,118	1,270	(8,847)
8	SPECTRUM RELOCATION	200	8	(192)
9	CAPITAL INDIRECT	()	-	-
10	LAPSE FACTOR	(33,158)	-	33,158
11	<b>TOTAL Transmission Business Unit</b>	<b>637,724</b>	<b>623,777</b>	<b>(13,947)</b>
<b>Power Business Unit</b>				
12	BUREAU OF RECLAMATION	78,181	47,541	(30,640)
13	CORPS OF ENGINEERS	159,461	152,917	(6,544)
14	GENERATION CONSERVATION	75,200	75,200	-
15	POWER INFORMATION TECHNOLOGY	9,726	9,000	(726)
16	FISH & WILDLIFE	60,275	50,000	(10,275)
17	LAPSE FACTOR	(11,882)	-	11,882
18	<b>TOTAL Power Business Unit</b>	<b>370,961</b>	<b>334,658</b>	<b>(36,303)</b>
<b>Corporate Business Unit</b>				
19	CORPORATE BUSINESS UNIT	30,060	29,502	(557)
20	<b>TOTAL Corporate Business Unit</b>	<b>30,060</b>	<b>29,502</b>	<b>(557)</b>
21	<b>TOTAL BPA Capital Expenditures</b>	<b>\$ 1,038,745</b>	<b>\$ 987,937</b>	<b>\$ (50,807)</b>



Report ID: 0027FY14

Requesting BL: CORPORATE BUSINESS UNIT

Unit of Measure: \$Thousands

## BPA Statement of Capital Expenditures

FYTD Through the Month Ended December 31, 2013

Preliminary Unaudited

Run Date/Run Time: January 23, 2014/ 04:23

Data Source: EPM Data Warehouse

% of Year Elapsed = 25%

		A	B	C	D	E	F
		FY 2014		FY 2014		FY 2014	
		SOY Budget	Current EOY Forecast	Actuals: Dec	Actuals: FYTD	Actuals / SOY Budget	Actuals / Forecast
<b>Transmission Business Unit</b>							
1	MAIN GRID	\$ 131,305	\$ 141,079	\$ 9,100	\$ 20,036	15%	14%
2	AREA & CUSTOMER SERVICE	27,133	15,165	983	4,035	15%	27%
3	SYSTEM REPLACEMENTS	233,973	239,136	14,689	56,303	24%	24%
4	UPGRADES & ADDITIONS	256,548	216,965	23,707	40,234	16%	19%
5	ENVIRONMENT CAPITAL	6,804	6,602	1,028	1,981	29%	30%
	PFIA						
6	MISC. PFIA PROJECTS	4,802	3,552	336	960	20%	27%
7	GENERATOR INTERCONNECTION	10,118	1,270	144	652	6%	51%
8	SPECTRUM RELOCATION	200	8	()	10	5%	120%
9	CAPITAL INDIRECT	()	-	(1,597)	(4,815)	0%	0%
10	LAPSE FACTOR	(33,158)	-	-	-	0%	0%
11	<b>TOTAL Transmission Business Unit</b>	<b>637,724</b>	<b>623,777</b>	<b>48,390</b>	<b>119,396</b>	<b>19%</b>	<b>19%</b>
<b>Power Business Unit</b>							
12	BUREAU OF RECLAMATION	78,181	47,541	2,296	10,488	13%	22%
13	CORPS OF ENGINEERS	159,461	152,917	9,486	28,268	18%	18%
14	GENERATION CONSERVATION	75,200	75,200	5,840	10,298	14%	14%
15	POWER INFORMATION TECHNOLOGY	9,726	9,000	411	1,418	15%	16%
16	FISH & WILDLIFE	60,275	50,000	2,493	6,283	10%	13%
17	LAPSE FACTOR	(11,882)	-	-	-	0%	0%
18	<b>TOTAL Power Business Unit</b>	<b>370,961</b>	<b>334,658</b>	<b>20,526</b>	<b>56,755</b>	<b>15%</b>	<b>17%</b>
<b>Corporate Business Unit</b>							
19	CORPORATE BUSINESS UNIT	30,060	29,502	1,964	5,077	17%	17%
20	<b>TOTAL Corporate Business Unit</b>	<b>30,060</b>	<b>29,502</b>	<b>1,964</b>	<b>5,077</b>	<b>17%</b>	<b>17%</b>
21	<b>TOTAL BPA Capital Expenditures</b>	<b>\$ 1,038,745</b>	<b>\$ 987,937</b>	<b>\$ 70,879</b>	<b>\$ 181,227</b>	<b>17%</b>	<b>18%</b>

# Capital Project Status Report

Dennis Naef  
Asset Strategist

Major Capital Projects <sup>1</sup> - End-of-Project Target Performance					Q4 2013	
Project	Description	Direct Capital \$M <sup>2</sup>			In-Service Date	
		Target	Forecast	Actual <sup>3</sup>	Target	Forecast
Transmission						
Spacer Damper Replacement Program (FY08-12)	Replace all spring type double and triple bundle spacer-dampers on the 500 kV system.	\$ 65.2	\$ 46.2	\$ 45.5	9/30/2012 for 95% completion	11/28/14
Sustain Steel Program Defective Damper Replacements	Replace approximately 1,700 mile of defective PPI spacer dampers.	\$24.0 to \$30.0 for FY12- FY13	\$ 22.7	\$ 22.7	Achieve 90% to 113% of workplan thru FY13	Achieve 89% of workplan thru FY13
Spectrum Relocation (3G 1710-1755 MHz Project)	Vacate radio frequencies as required by P.L. 108-494.	\$ 48.6	\$ 40.2	\$ 40.2	3/31/13	9/30/13
500 kV Spare Transformer Project	Acquire 5 spares and relocate 2 existing transformers to be used as spares. The spares will be placed strategically across the system.	\$ 41.0	\$ 42.1	\$ 38.2	12/31/13	11/21/14
FY10 - TEAP Fleet Equipment Replacement Program	Heavy duty and specialized vehicle replacement program for FY10, FY11 and part of FY12.	\$ 29.6	\$ 28.1	\$ 25.0	3/31/12	4/30/14
#KC SONET Phase II Spur Healing	Complete the digital microw ave and radio conversion in Oregon.	\$ 18.0	\$ 17.2	\$ 11.6	12/31/15	12/31/15
#NC Analog Microwave Replacement	Complete the digital microw ave and radio conversion in NW Washington.	\$ 13.6	\$ 10.5	\$ 6.3	12/31/15	12/15/14
Alvey Substation 500 kV Shunt Reactor	Add a 500 kV shunt reactor for voltage stabilization.	\$ 10.9	\$ 10.3	\$ 3.7	4/30/12	3/9/15
NEPA - I-5 Corridor Reinforcement	Conduct NEPA study, preliminary engineering and design.	\$ 45.0	\$ 43.2	\$ 35.8	1/31/13	12/15/14
West of McNary Reinforcement Group 2 Big Eddy - Knight	New 500 kV substation and 28 miles of 500 kV transmission line.	\$ 180.0	\$ 186.0	\$ 147.1	Substation Energized 3/31/2013 Reactor Energized 11/30/14	Substation Energized 8/31/2015 Reactor Energized 8/31/15
Condon Wind Voltage Control	Install ring bus, transformer bank and breaker to control voltage fluctuations on the DeMoss-Fossil-Maupin 69kV line.	\$ 9.4	\$ 14.2	\$ 14.2	5/31/11	9/30/13
DC RAS Upgrade	Replace the DC RAS controllers at Celilo with upgraded units at the Ross and Munro control centers.	\$ 11.8	\$ 11.8	\$ 10.5	11/30/13	11/30/13
Synchrophasor Project	5-year effort to acquire, install, test, and implement synchronized Wide Area Measurement (WAM) and control technology at BPA.	\$ 32.5	\$ 29.6	\$ 27.0	Phase I complete 9/30/13.	Phase I complete 9/30/13.
Wood Pole Line Sustain Program FY10 - FY13	Implement a stable, sustained wood pole replacement program. The four year plan includes cumulative cost and work plan completion targets.	\$108.6 to \$135.8 for FY10 - FY13	\$ 127.1	\$ 126.3	Achieve 90% of workplan and 420 miles	<80% of workplan and 278 miles

This information has been made publicly available by BPA on 11/6/2013 and does not contain Agency-approved Financial Information.

<sup>1</sup> Includes capital projects authorized at the agency level since August 2007

<sup>2</sup> Direct capital costs exclude AFUDC and overheads

<sup>3</sup> Actual costs are project costs to date.

<sup>4</sup> Contracts have not been awarded - cost estimates are confidential

Major Capital Projects <sup>1</sup> - End-of-Project Target Performance						Q4 2013	
Project	Description	Direct Capital \$M <sup>2</sup>			In-Service Date		
		Target	Forecast	Actual <sup>3</sup>	Target	Forecast	
Transmission - continued							
Steel Lines Sustain Program FY11 - FY13	Implement a stable, sustained steel line replacement program. The four year plan includes cumulative cost and work plan completion targets.	\$22.4 to \$28.0 for FY11 - FY13	\$ 29.0	\$ 29.0	Replace 190 to 360 miles	Replaced 382 miles	
System Protection and Control (SPC) Sustain Program FY11 - FY13	Implement a stable, sustained SPC replacement program. The four year plan includes cumulative cost and work plan completion targets.	\$37.7 to \$47.2 for FY11- FY13	\$ 23.3	\$ 22.1	Achieve 90% to 100% of workplan	75%	
Control Replacement California - Oregon Intertie (COI) Series Capacitors	Replace protection and control systems for the series capacitor banks. Target includes 20% other owner's share.	\$ 15.7	\$ 12.3	\$ 11.4	3/30/14	2/11/14	
Ross - Schultz Fiber Replacement	Replace the obsolete and limited 36 strand fiber with standard 72 strand fiber.	\$ 34.0	\$ 34.0	\$ 2.4	9/15/17	9/15/17	
#DC Microwave Analog Spur Replacement	Complete the digital microwave and radio conversion in Northeast Washington.	\$ 39.5	\$ 33.0	\$ 17.0	8/30/17	7/3/17	
Central Ferry to Lower Monumental (Little Goose Area Reinforcement)	Construct a 38 mile 500 kV transmission line between Central Ferry and Lower Monumental substations.	\$ 90.0	\$ 85.8	\$ 19.8	Line Energized 11/1/2015 Indoor Equipment 12/31/15	Line Energized 11/1/2015 Indoor Equipment 12/31/15	
Celilo Mercury Containment and Abatement	Contain and abate the mercury contamination at the Celilo Converter Station.	\$ 10.8	\$ 10.5	\$ 10.2	11/30/13	9/20/13	
Rights-of-Way Access Roads and Land Rights Acquisition Program FY13 to FY15	Implement a stable, sustained ROW program. The three year plan includes cumulative cost and work plan completion targets.	At least \$9.4 for FY13	\$ 15.6	\$ 15.6	Achieve 100% of workplan	58% of workplan	
P25 Two-Way Mobile Radio Upgrade	Replace and upgrade the mobile two-way radio system to P25 technology.	\$ 64.5	\$ 64.0	\$ 1.3	9/30/17	9/30/17	
Switchgear Replacement for Fault Duty FY12	Replace under-rated switchgear identified in annual screening process.	\$ 14.9	\$ 16.5	\$ 11.9	12/31/14	9/30/14	
Pacific DC Intertie Upgrade - Station Work	Modernize the Celilo converter terminal and upgrade capacity from 3100 MW to 3220 MW for north to south power flow with a future upgrade path to 3800 MW.	\$ 275.8	\$ 275.8	\$ 37.3	12/20/15	12/20/15	
Pacific DC Intertie Upgrade - Line Work		\$ 40.0	\$ 27.6	\$ 3.3	10/31/17	10/31/17	
Puget Sound Area Northern Intertie (PSANI) Memorandum of Agreement	Install a 500/230 kV transformer bank addition at Raver Substation.	\$ 56.4	\$ 56.4	\$ 0.6	9/30/16	9/14/16	
Horse Butte Wind Interconnection	Interconnect UAMPS wind project.	\$ 10.2	\$ 8.3	\$ 7.9	11/30/12	3/31/14	
MT to WA Transmission System Upgrade - NEPA	NEPA and preliminary engineering and design for the former CUP West project.	\$ 7.2	\$ 6.6	\$ 0.5	3/31/15	3/30/15	

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<sup>4</sup> Contracts have not been awarded - cost estimates are confidential

Major Capital Projects ' - End-of-Project Target Performance Q4 2013

		Direct Capital \$M <sup>2</sup>			In-Service Date	
Project	Description	Target	Forecast	Actual <sup>3</sup>	Target	Forecast
Transmission - continued						
Lower Valley NEPA (Hooper Springs)	NEPA and preliminary engineering and design work for the Lower Valley Area Reinforcement project.	\$ 19.1	\$ 17.6	\$ 16.6	11/1/13	2/28/14
AC Substations Sustain Program FY13-15	Implement a stable AC substation equipment replacement program. The 3 year plan includes cumulative cost and scope/schedule targets.	\$4.95 for FY13	\$ 7.9	\$ 7.9	Deliver 100% of workplan	Deliver 100% of workplan
PSC/Telecom Sustain Program FY13-15	Implement a stable PSC/Telecom equipment replacement program. The 3 year plan includes cumulative cost and scope/schedule targets.	\$7.7 for FY13	\$ 3.9	\$ 3.9	Deliver 100% of workplan	Deliver 93% of workplan
#JC Microwave Upgrade	Complete the digital conversion for the upper part of the #JC communications ring.	\$ 13.5	\$ 13.5	\$ 1.3	9/1/18	9/1/18
Operational Multi-Gigabit Ethernet Transport (OMET)	Communications upgrade and replacement to ensure adequate capacity and compatibility for emerging monitoring and control equipment.	\$ 43.5	\$ 43.5	\$ 2.1	3/30/17	3/30/17
McNary Substation - Additional 500 kV Transformer	Install an additional transformer bank to handle increased loading.	\$ 20.2	\$ 20.2	\$ -	5/30/17	5/30/17
Umatilla Electric Cooperative (UEC) Line and Load Requests	Construct Longhorn Substation Annex and add three bays at McNary Substation.	\$ 40.6	\$ 37.0	\$ 5.6	9/3/15	9/3/15
Paul Substation Shunt Reactor Addition	Install an additional reactor in the Portland area for voltage control.	\$ 9.5	\$ 9.5	\$ -	4/30/16	4/30/16
Raver Substation - Replace Reactor	Replace the failed 180 MVAR reactor with a 300 MVAR unit.	\$ 7.2	\$ 7.2	\$ -	6/30/15	6/30/15

<b>Federal Hydro</b>						
Grand Coulee and Hungry Horse SCADA Replacement	Replace SCADA systems at Grand Coulee and Hungry Horse.	\$ 46.8	\$ 46.8	\$ 36.9	9/30/15	1/30/18
Grand Coulee Left Powerhouse Transformer Replacement	Replace transformer banks K1, K5, K7, K8 and purchase one spare transformer bank.	\$ 15.7	\$ 15.7	\$ 12.3	10/31/14	12/31/14
Grand Coulee 500kV Switchyard Relay Replacement	Replace protective relays and microwave transfer trip between the third power plant and 500kV switchyard and between the 230kV and 500kV switchyards.	\$ 7.6	\$ 7.6	\$ 5.7	9/30/14	9/30/14
Grand Coulee Pre Overhaul - Winding Replacement G19, G20	Replace the stator core and windings on units G19 and G20.	N/A <sup>4</sup>	N/A <sup>4</sup>	\$ 0.7	5/31/13	4/29/18
Grand Coulee Pre Overhaul - High Voltage Cable Replacement	Install overhead, high-voltage cables to transfer power from the third power plant.	\$ 46.7	\$ 37.3	\$ 37.3	12/31/12	12/31/12
Grand Coulee - Keys Pump Generating Station - Reliability	Replacements and upgrades to maintain current station capability.	\$ 61.4	\$ 61.4	\$ -	9/30/21	9/30/21
Chief Joseph Turbine Runner Replacements Units 1 - 16	Replace the turbine runners and rehabilitate the turbines on units 1 - 16.	\$ 166.0	\$ 166.0	\$ 90.5	9/30/17	9/30/17
Chief Joseph Exciter Replacement	Replace excitation units (17 to 27) that have reached the end of their useful lives.	\$ 9.2	\$ 9.2	\$ 1.8	12/30/15	12/30/15

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<sup>4</sup> Contracts have not been awarded - cost estimates are confidential

Major Capital Projects<sup>1</sup> - End-of-Project Target Performance Q4 2013

		Direct Capital \$M <sup>2</sup>			In-Service Date	
Project	Description	Target	Forecast	Actual <sup>3</sup>	Target	Forecast
Federal Hydro - continued						
Chief Joseph Governor Replacement	Upgrade the 27 governors with digital controls and replace associated equipment.	N/A <sup>4</sup>	N/A <sup>4</sup>	\$ 0.5	8/19/17	8/19/17
The Dalles Powerhouse Governor Upgrade	Upgrade of the governors with digital controls and replacement of associated components.	\$ 21.8	\$ 21.8	\$ 11.8	9/30/14	9/30/14
McNary Main Unit 1-4, 7-12 Stator Winding Replacement	Replace stator windings that are over 50 years old.	\$ 80.0	\$ 80.0	\$ 59.8	12/31/14	4/1/15
McNary Governor Replacement	Upgrade the 14 governors in the McNary powerhouse with digital controls.	N/A <sup>4</sup>	N/A <sup>4</sup>	\$ 0.6	1/29/18	1/29/18
John Day Governor Upgrade	Upgrade of the governors with digital controls and replacement of associated components.	N/A <sup>4</sup>	N/A <sup>4</sup>	\$ 1.7	10/23/14	10/26/16
Ice Harbor Turbine Runner Replacement	Replace the poor condition turbine runners in units 1, 2 & 3 and incorporate a more fish-friendly design.	\$ 97.0	\$ 97.0	\$ 10.1	10/1/18	10/1/18
Lower Snake Exciter Replacement	Replace 6 exciters at Little Goose, 3 at Lower Monumental and 3 at Lower Granite.	\$ 12.9	\$ 12.9	\$ 9.4	2/27/13	2/27/14
Hungry Horse Station Service Replacement	Replace station service switchgear distribution board/feeder cables and upgrade relay protection/metering.	N/A <sup>4</sup>	N/A <sup>4</sup>	\$ 0.5	1/31/15	1/31/15
Hills Creek Powerhouse Turbine and Unit Rehabilitation	Replace turbine runners and generator windings on units 1 and 2 at Hills Creek.	\$ 24.1	\$ 24.1	\$ 6.0	8/12/14	3/31/15
Black Canyon Third Generating Unit	Add a third generating unit at Black Canyon. The capacity of the unit will be between 10 and 15 MW.	N/A <sup>4</sup>	N/A <sup>4</sup>	\$ 4.9	12/31/14	12/31/17
Palisades Turbine Rehabilitation and Runner Replacement	Replace the turbine runners and rehabilitate the turbines on the four Palisades units.	\$ 28.8	\$ 28.8	\$ 12.8	5/31/16	5/31/16
Dexter Spillway Gate Rehabilitation	Rebuild the seven tainter spillway gates at Dexter.	\$ 18.0	\$ 17.4	\$ 17.4	3/29/14	9/30/13
Big Cliff Spillway Gate Rehabilitation	Rebuild the three tainter spillway gates at Big Cliff.	\$ 11.0	\$ 11.0	\$ 8.9	12/30/13	12/30/13

<b>IT</b>						
Desktop Modernization Project	Deploy Windows 7, Office 2010 and end-user devices.	\$ 9.1	\$ 8.8	\$ 7.8	3/31/14	5/12/14
IT Virtualization and Consolidation Project (IVC)	Replace and modernize server infrastructure for non-critical business systems.	\$ 21.8	\$ 21.5	\$ 12.3	9/30/14	12/31/14

<b>Facilities</b>						
Eastside Alternate Operating Facility	Spokane-area facility for redundant transmission and power scheduling functions and alarm monitoring.	\$ 17.5	\$ 20.8	\$ 5.8	3/31/14	7/31/14
Tri Cities Maintenance Headquarters and Franklin Yard	Construct Tri-Cities maintenance HQ, heat line for spare transformers and a spare parts yard at Franklin.	\$ 14.2	\$ 14.2	\$ 0.9	12/31/13	12/31/14

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<sup>2</sup> Direct capital costs exclude AFUDC and overheads

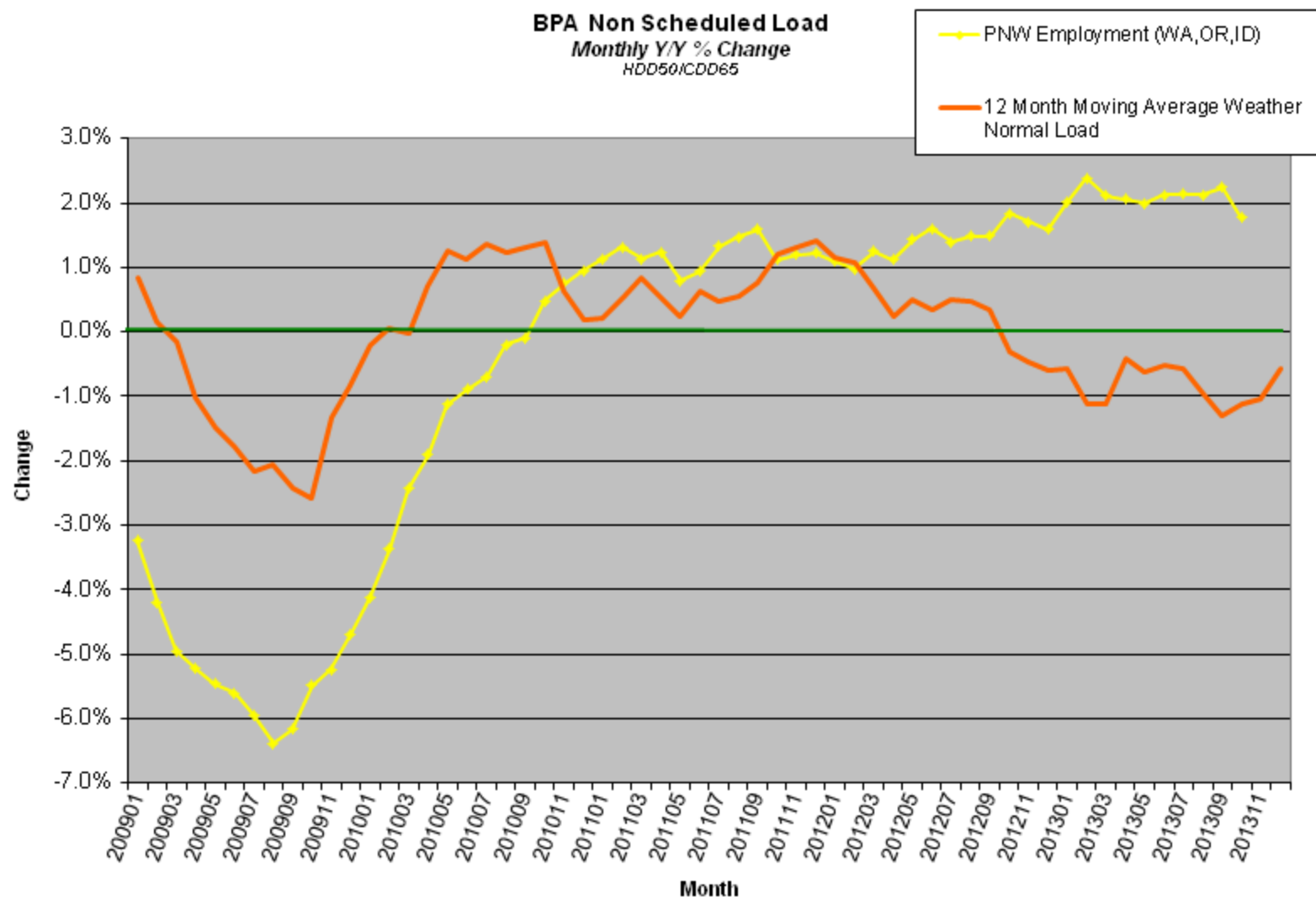
<sup>4</sup> Contracts have not been awarded - cost estimates are confidential



## **BPA Loads and Economic Update**

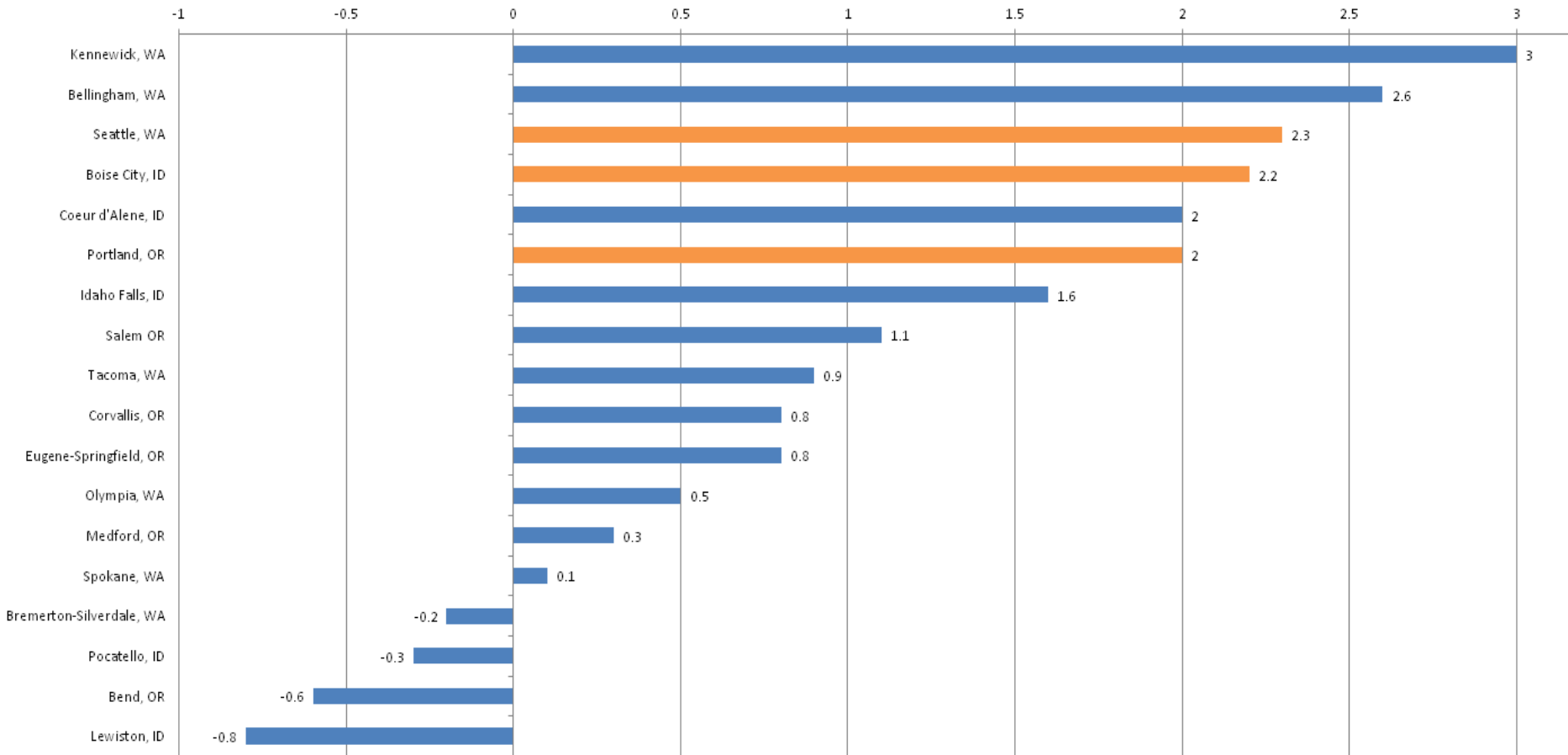
Reed Davis  
Supervisory Public Utilities Specialist

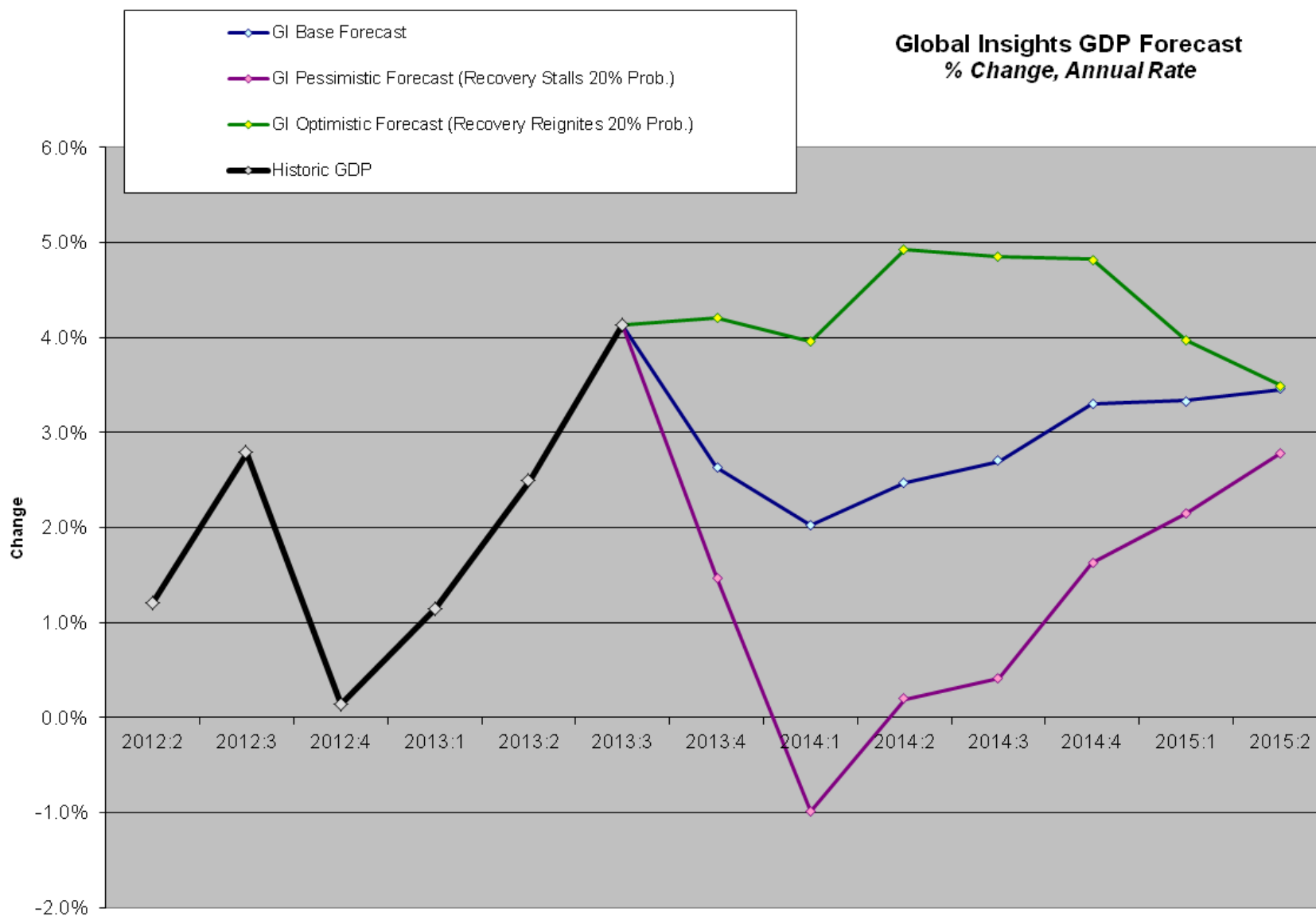
Sarah Burczak  
Public Utilities Specialist (Load Forecasting)



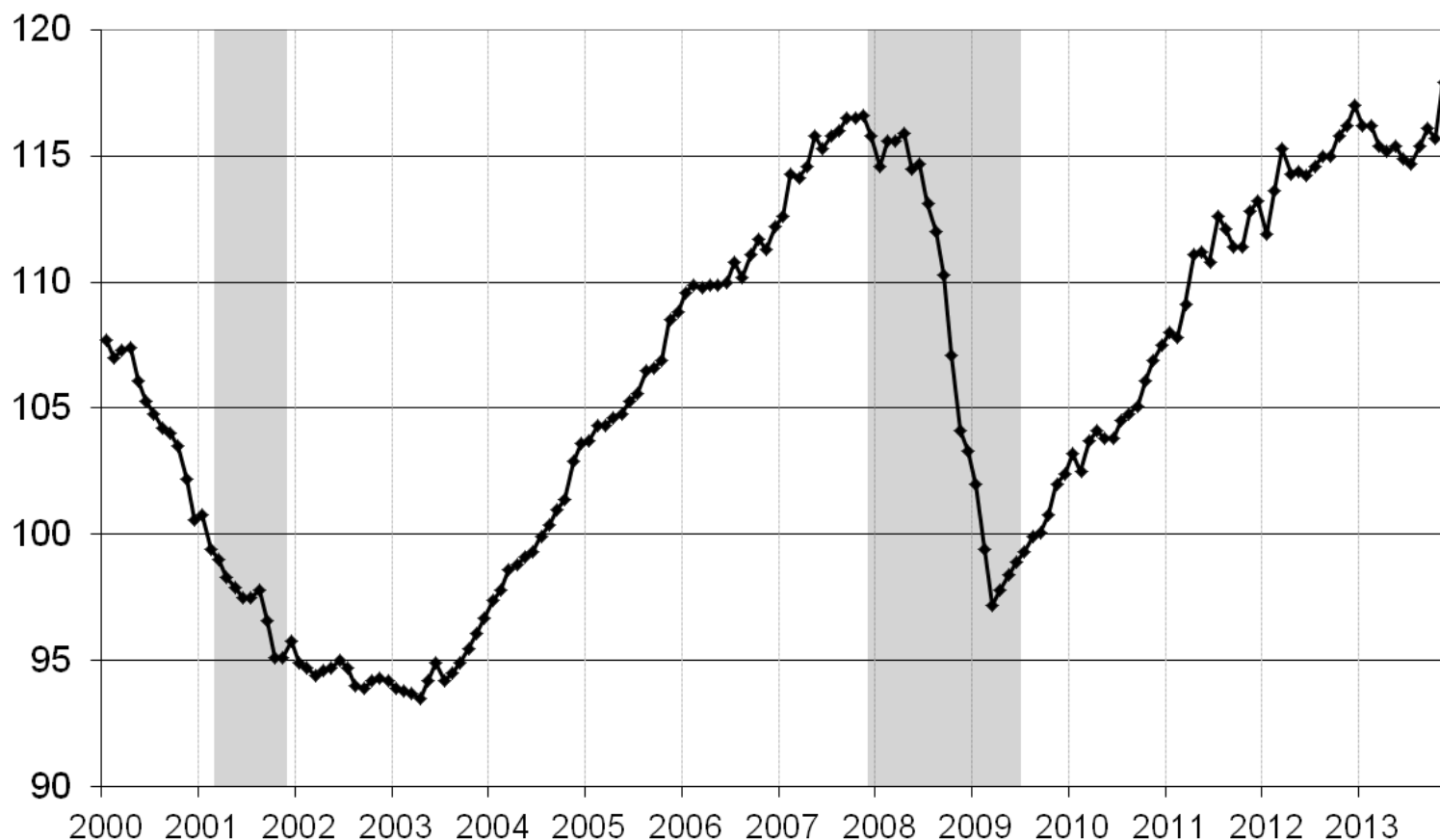


### NW Employment (Percent change year over year, November 2013)





## Washington Index of Leading Indicators



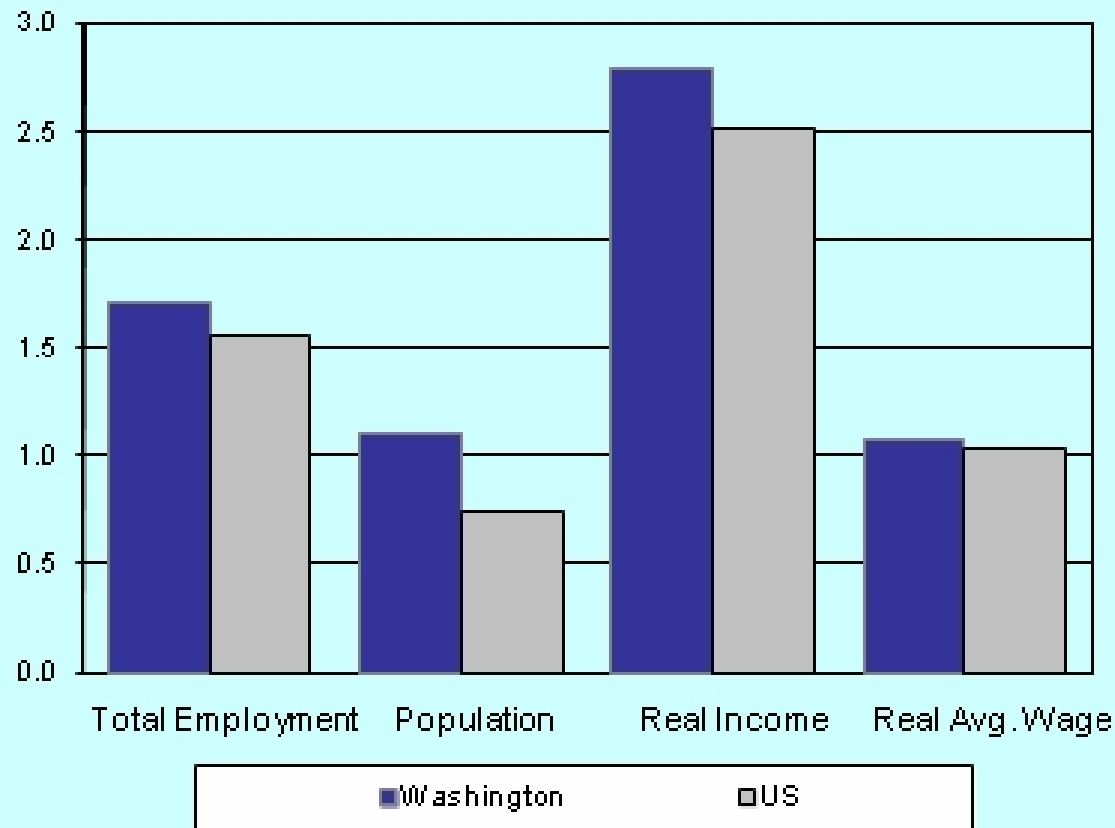
### ***Washington Index of Leading Indicators - Components:***

- Trade Weighted Dollar Index
- WA State Help-Wanted Index
- Initial Claims for Unemployment Insurance
- Average Weekly hours in Manufacturing

- US Index of Leading Indicators
- Aerospace Employment
- Authorized Housing Unit Permits

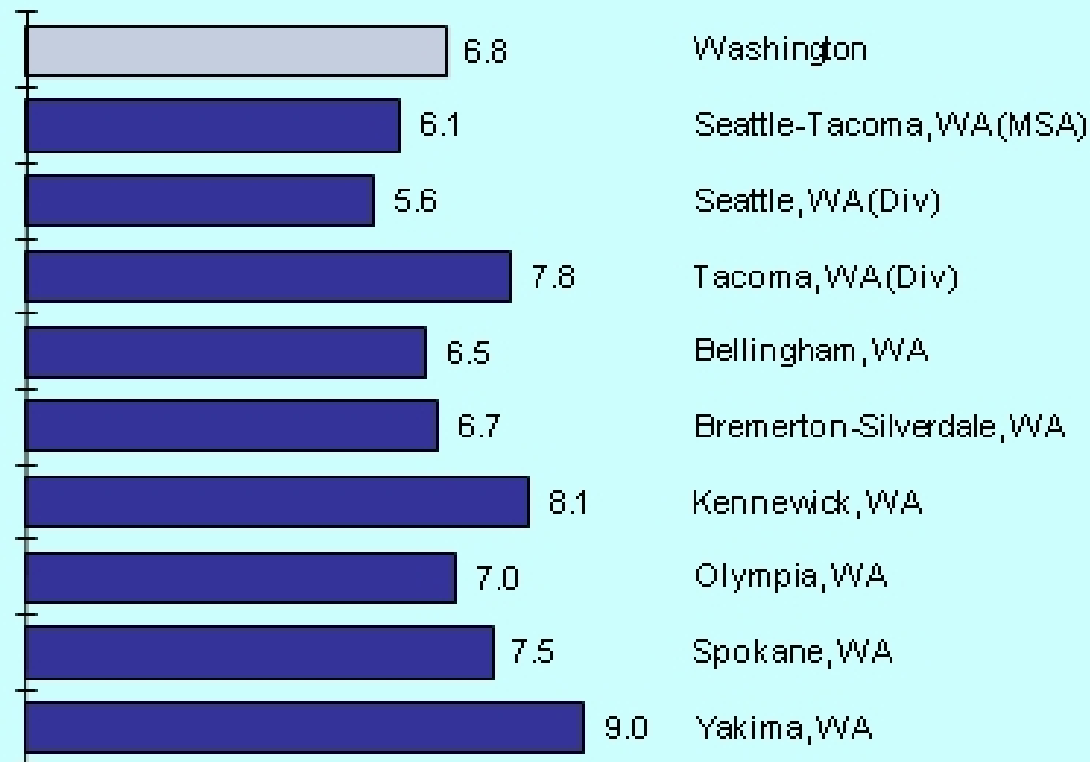
# Washington

Growth Relative to the US Average  
(Average annual percent change, 2012 to 2014)



# Washington

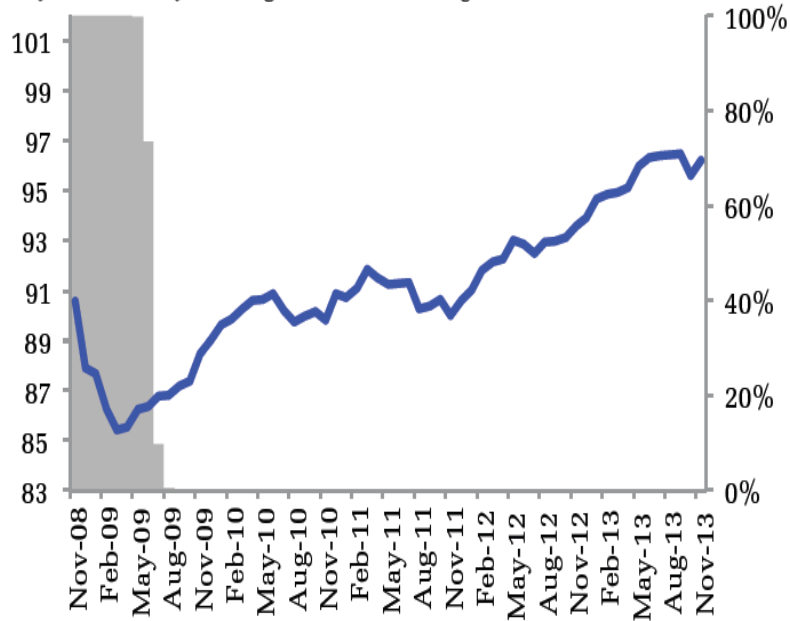
**Unemployment Rate by MSA**  
(Percent, November 2013)



### UO Index of Economic Indicators

Blue: UO Index, 1997=100, Left Axis

Gray: Probability of Oregon Recession, Right Axis

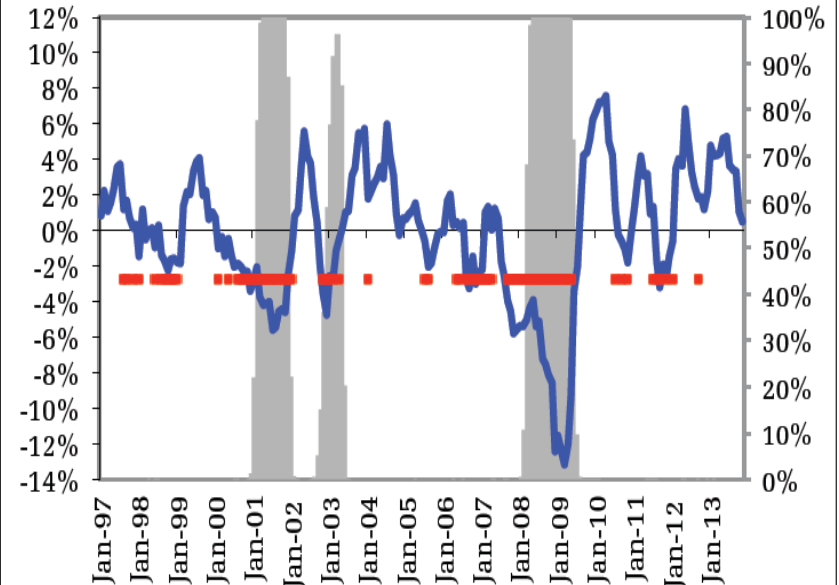


### UO Index of Economic Indicators, % Change

Blue: 6-Month Percentage Change, Annualized

Red: 6-Month Diffusion Index Declines More Than 50%

Gray: Probability of Oregon Recession, Right Axis



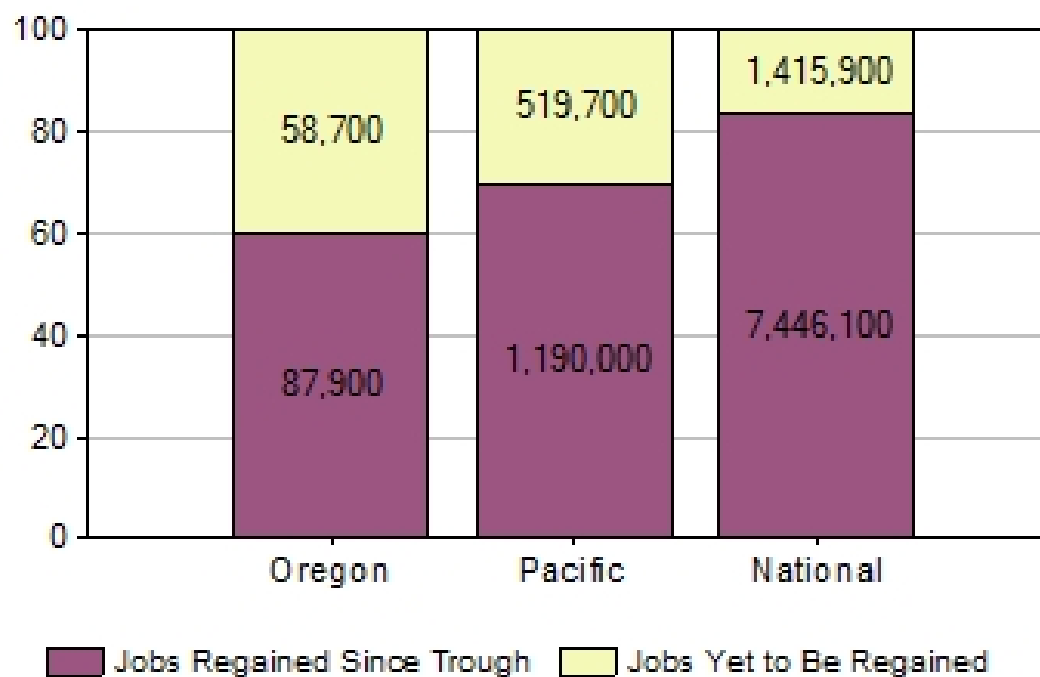
#### UO Index of Economic Indicators - Components:

- Oregon Initial Unemployment Claims
- Oregon Employment Services Payrolls
- Oregon Residential Building Permits
- Real Manufacturers' New Orders for Nondefense, Nonaircraft Capital Goods
- Oregon Weight Distance Tax
- U.S. Consumer Sentiment
- Interest Rate Spread

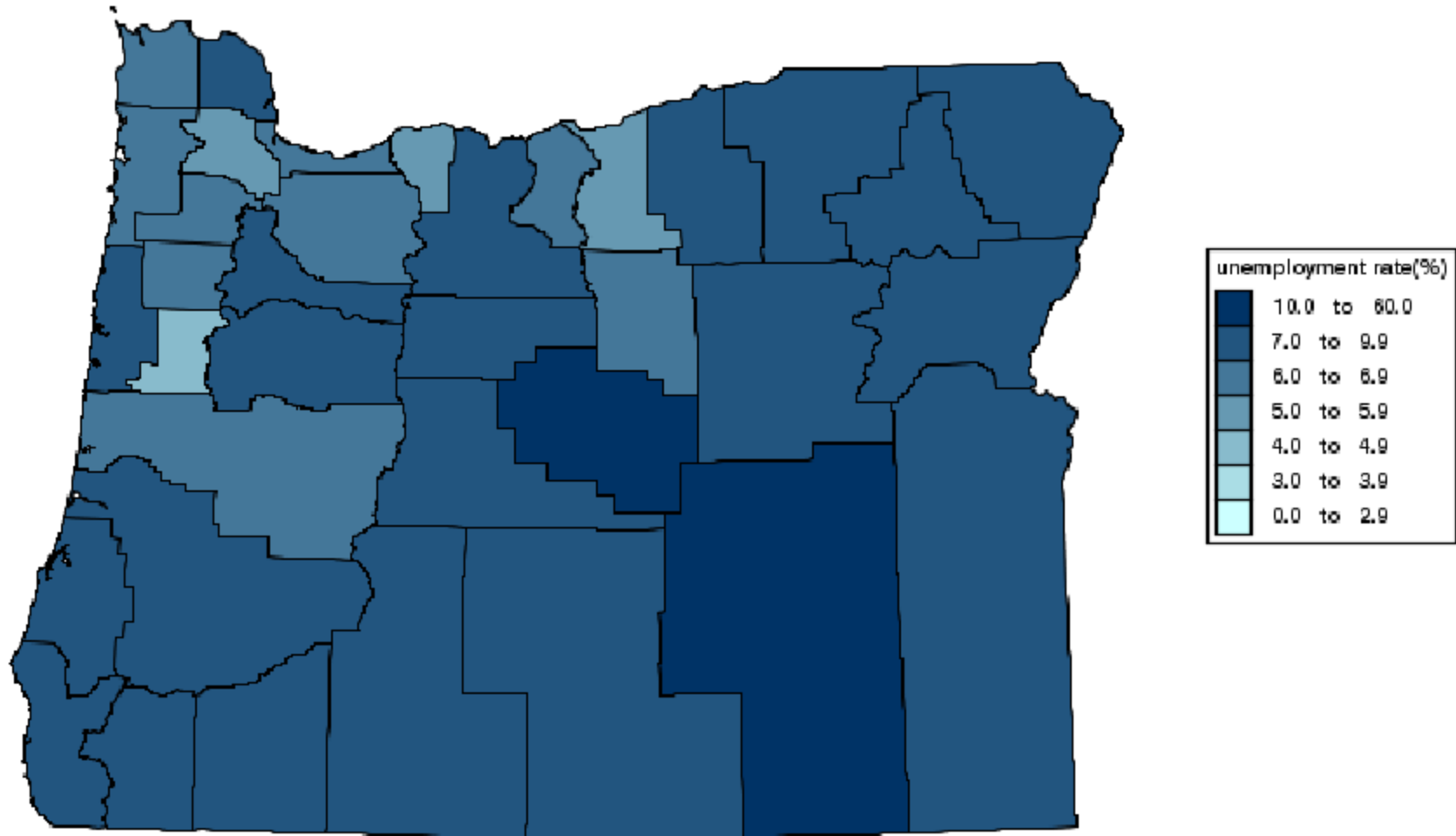
# Oregon

## Recession Recovery: Changes in Employment

(Percent)



Unemployment rates by county, not seasonally adjusted, Oregon November 2013



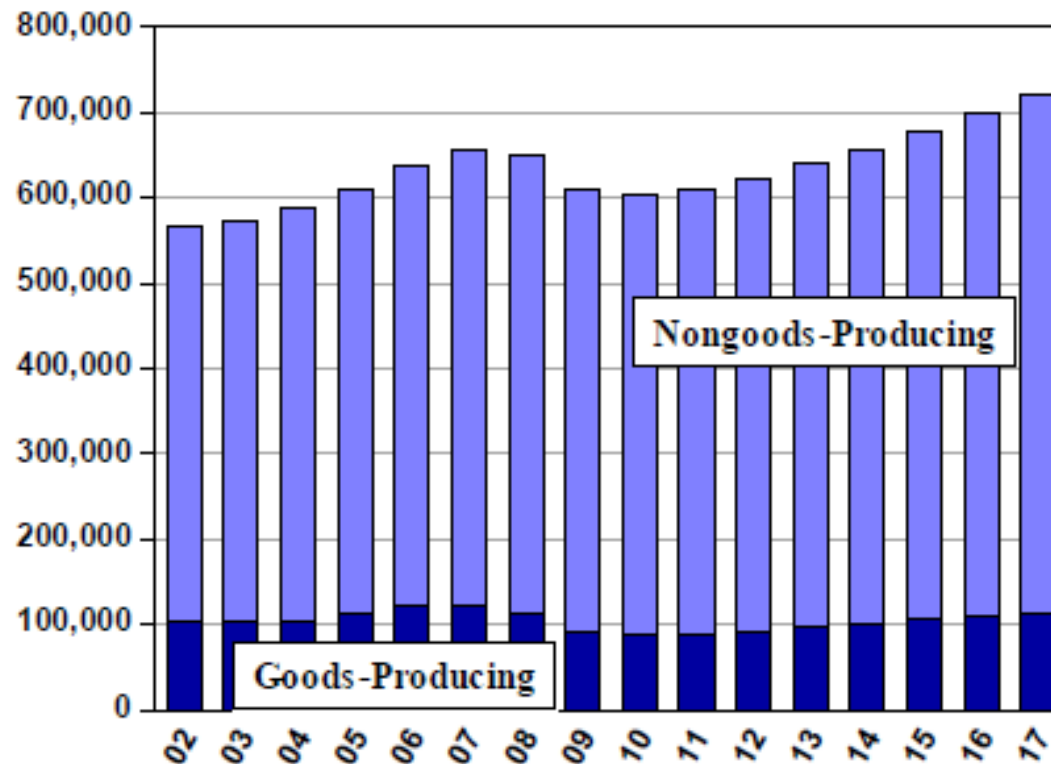


# Idaho Economic Indicators

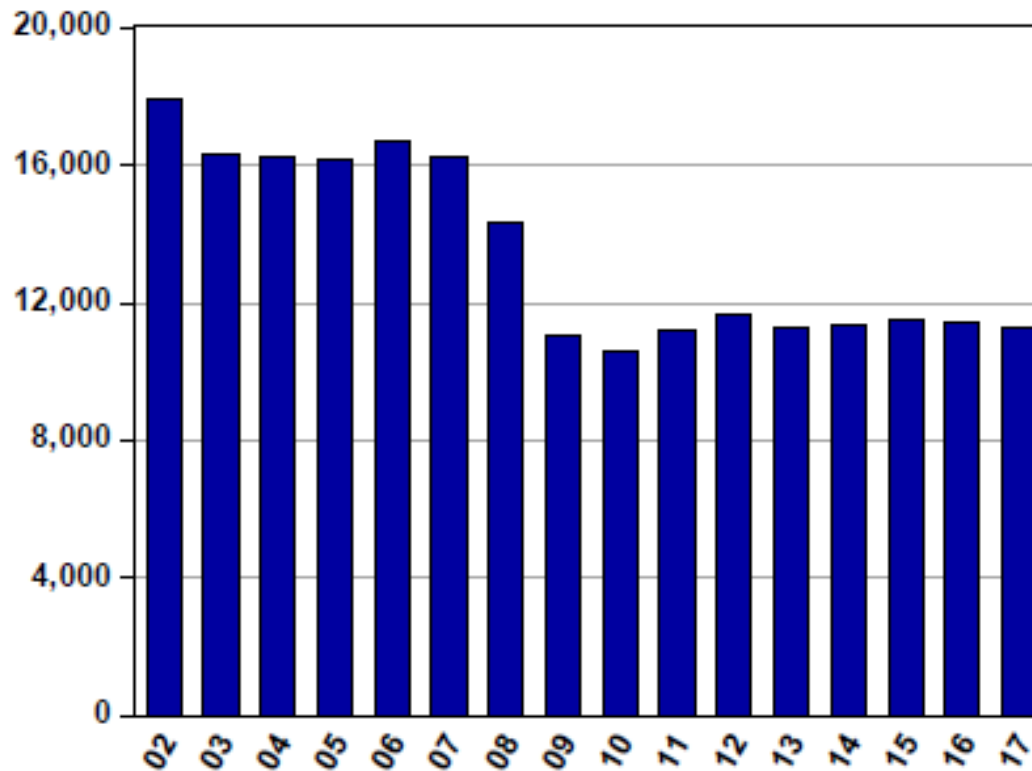
Indicators	2008	2009	2010	2011	2012	2013 Q3
Nonfarm Employment	-1.0%	-8.1%	-1.1%	1.2%	1.9%	2.8%
Computer and Electronics Manufacturing	-11.8%	-22.5%	-4.4%	5.7%	3.7%	-3.1%
Construction	-13.7%	-23.9%	-9.7%	-1.7%	1.9%	8.0%
Food Processing	4.8%	-0.8%	-2.1%	1.3%	-0.2%	6.0%
Logging and Wood Products	-4.5%	-36.0%	-2.3%	8.0%	4.9%	10.1%
Mining	3.5%	-20.4%	4.5%	12.5%	5.8%	-5.7%
Nongoods Producing	0.6%	-3.5%	-0.4%	1.1%	1.7%	2.3%
Housing Starts	-44.4%	-28.9%	-8.3%	-11.8%	57.1%	23.0%
Government	2.1%	0.1%	-1.0%	-1.4%	0.1%	3.4%
State and Local	2.0%	0.0%	-1.3%	-0.7%	0.2%	4.0%
National	3.0%	1.0%	1.8%	-6.8%	-0.9%	-1.5%

\*Values represent year over year percent change

### Idaho Nonfarm Employment



### Idaho Computer and Electronic Products Employment



# Appendix 1

Report ID: 0020FY14

**FCRPS Summary Statement of Revenues and Expenses**

Run Date/Run Time: January 23,2014/ 04:19

Requesting BL: CORPORATE BUSINESS UNIT

Through the Month Ended December 31, 2013

Data Source: EPM Data Warehouse

Unit of measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 25%

	FY 2013		FY 2014			FY 2014
	Actuals: FYTD	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals: FYTD
<b>Operating Revenues</b>						
1 Gross Sales (excluding bookout adjustment) <Note 3	\$ 815,335	\$ 3,242,157	\$ 3,315,215	\$ 3,335,808	\$ 3,346,207	\$ 830,937
2 Bookout adjustment to Sales	(22,175)	(66,587)	-	-	(8,085)	(8,085)
3 Miscellaneous Revenues	17,626	82,019	64,039	70,174	62,884	15,672
4 U.S. Treasury Credits	26,555	88,692	101,773	101,773	99,559	29,489
5 <b>Total Operating Revenues</b>	<b>837,342</b>	<b>3,346,281</b>	<b>3,481,026</b>	<b>3,507,754</b>	<b>3,500,564</b>	<b>868,013</b>
<b>Operating Expenses</b>						
Power System Generation Resources						
Operating Generation Resources						
6 Columbia Generating Station	88,639	330,066	298,751	300,514	300,040	69,550
7 Bureau of Reclamation	24,929	127,116	140,601	140,601	140,601	26,525
8 Corps of Engineers	45,483	208,096	225,687	225,687	225,687	48,727
9 Long-term Contract Generating Projects	5,891	22,518	25,999	25,284	22,443	3,439
10 Operating Generation Settlement Payment	5,351	22,122	21,405	21,405	21,405	5,476
11 Non-Operating Generation	554	(25,878)	2,206	2,400	2,400	355
12 Gross Contracted Power Purchases and Augmentation Power Purch	62,379	220,987	76,915	95,444	165,402	75,832
13 Bookout Adjustment to Power Purchases	(22,175)	(66,587)	-	-	(8,085)	(8,085)
14 Exchanges & Settlements <Note 3	50,735	201,933	201,919	201,919	201,919	50,457
15 Renewables	5,538	30,057	39,692	39,701	40,189	6,004
16 Generation Conservation	7,087	36,078	48,408	55,760	47,443	7,984
17 <b>Subtotal Power System Generation Resources</b>	<b>274,412</b>	<b>1,106,508</b>	<b>1,081,583</b>	<b>1,108,715</b>	<b>1,159,443</b>	<b>286,264</b>
18 Power Services Transmission Acquisition and Ancillary Services - (3rd Party) <Note 2	12,465	53,113	57,718	57,153	57,287	14,309
19 Power Services Non-Generation Operations	18,688	79,254	92,111	89,850	89,381	18,056
20 Transmission Operations	29,848	114,942	140,729	137,877	137,129	32,336
21 Transmission Maintenance	31,490	146,933	154,233	154,348	155,545	31,443
22 Transmission Engineering	8,689	45,876	41,638	41,627	45,561	10,932
23 Trans Services Transmission Acquisition and Ancillary Services - (3rd Party) <Note 2	4,545	13,118	10,096	15,636	17,017	2,528
24 Transmission Reimbursables	3,812	15,401	10,530	10,333	8,822	3,241
25 Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	72,876	277,237	294,128	294,191	294,191	72,595
BPA Internal Support						
26 Additional Post-Retirement Contribution	8,910	35,641	37,002	37,002	37,002	9,251
27 Agency Services G&A	25,142	111,976	115,029	122,065	120,809	28,891
28 Other Income, Expenses & Adjustments	(157)	(1,851)	-	-	(2,307)	(1,107)
29 Non-Federal Debt Service	180,007	733,313	727,667	731,172	731,173	192,294
30 Depreciation & Amortization	103,890	429,716	421,763	436,385	436,385	109,327
31 <b>Total Operating Expenses</b>	<b>774,617</b>	<b>3,161,176</b>	<b>3,184,228</b>	<b>3,236,356</b>	<b>3,287,438</b>	<b>810,359</b>
32 <b>Net Operating Revenues (Expenses)</b>	<b>62,725</b>	<b>185,106</b>	<b>296,798</b>	<b>271,398</b>	<b>213,126</b>	<b>57,654</b>
<b>Interest Expense and (Income)</b>						
33 Interest Expense	84,463	356,337	404,637	393,960	343,326	93,904
34 AFUDC	(11,810)	(37,529)	(47,645)	(44,100)	(46,000)	(11,617)
35 Interest Income	(4,652)	(28,937)	(25,492)	(24,815)	(23,670)	(4,806)
36 <b>Net Interest Expense (Income)</b>	<b>68,001</b>	<b>289,871</b>	<b>331,499</b>	<b>325,045</b>	<b>273,656</b>	<b>77,482</b>
37 <b>Net Revenues (Expenses)</b>	<b>\$ (5,276)</b>	<b>\$ (104,765)</b>	<b>\$ (34,701)</b>	<b>\$ (53,647)</b>	<b>\$ (60,530)</b>	<b>\$ (19,828)</b>

<1 Although the forecasts in this report are presented as point estimates, BPA operates a hydro-based system that encounters much uncertainty regarding water supply and wholesale market prices. These uncertainties among other factors may result in large range swings +/- impacting the final results in revenues, expenses, and cash reserves.

<2 The consolidated FCRPS Statement reduces reported Revenues and Expenses where between business line transactions occur, the most significant of which are for Transmission Acquisition and Ancillary Services.

<3 The Residential Exchange Program expenses reflect the Scheduled Amount of REP benefits payments established in the 2012 REP Settlement Agreement. The Scheduled Amount of REP benefit payments incorporates a \$76,537,617 reduction in REP benefits to provide Refund Amount payments to COUs. The Refund Amount returned to the COUs is reflected through a reduction in the Gross Sales amount.

Report ID: 0060FY14

**Power Services Detailed Statement of Revenues and Expenses**

Run Date\Time: January 23, 2014 04:20

Requesting BL: POWER BUSINESS UNIT

Through the Month Ended December 31, 2013

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 25%

	A	B	C	D <Note 1	E	F
	FY 2013	FY 2014			FY 2014	FY 2014
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
<b>Operating Revenues</b>						
1 <b>Gross Sales (excluding bookout adjustment) &lt;Note 2</b>	\$ 2,438,468	\$ 2,434,517	\$ 2,450,598	\$ 2,453,572	\$ 607,611	25%
2 <b>Bookout Adjustment to Sales</b>	(66,587)	-	-	(8,085)	(8,085)	100%
3 <b>Miscellaneous Revenues</b>	28,013	29,689	35,816	31,083	6,510	21%
4 <b>Inter-Business Unit</b>	143,689	117,696	128,405	135,643	38,554	28%
5 <b>U.S. Treasury Credits</b>	88,692	101,773	101,773	99,559	29,489	30%
6 <b>Total Operating Revenues</b>	<b>2,632,274</b>	<b>2,683,675</b>	<b>2,716,591</b>	<b>2,711,773</b>	<b>674,079</b>	<b>25%</b>
<b>Operating Expenses</b>						
<b>Power System Generation Resources</b>						
<b>Operating Generation</b>						
7 COLUMBIA GENERATING STATION	330,066	298,751	300,514	300,040	69,550	23%
8 BUREAU OF RECLAMATION	127,116	140,601	140,601	140,601	26,525	19%
9 CORPS OF ENGINEERS	208,096	225,687	225,687	225,687	48,727	22%
10 LONG-TERM CONTRACT GENERATING PROJECTS	22,518	25,999	25,284	22,443	3,439	15%
11 <b>Sub-Total</b>	687,796	691,038	692,086	688,771	148,241	22%
<b>Operating Generation Settlements and Other Payments</b>						
12 COLVILLE GENERATION SETTLEMENT	22,122	21,405	21,405	21,405	5,476	26%
13 <b>Sub-Total</b>	22,122	21,405	21,405	21,405	5,476	26%
<b>Non-Operating Generation</b>						
14 TROJAN DECOMMISSIONING	(26,485)	1,500	2,000	2,000	290	15%
15 WNP-1&4 O&M	607	706	400	400	65	16%
16 <b>Sub-Total</b>	(25,878)	2,206	2,400	2,400	355	15%
<b>Gross Contracted Power Purchases (excluding bookout adjustments)</b>						
17 PNCA HEADWATER BENEFITS	3,404	2,957	2,957	2,957	675	23%
18 PURCHASES FOR SERVICE AT TIER 2 RATES	23,382	5,296	5,296	4,956	1,218	25%
19 OTHER POWER PURCHASES - (e.g. Short-Term)	193,279	62,464	87,191	157,489	74,009	47%
20 <b>Sub-Total</b>	220,987	70,718	95,444	165,402	75,832	46%
21 <b>Bookout Adjustments to Contracted Power Purchases</b>	(66,587)	-	-	(8,085)	(8,085)	100%
<b>Augmentation Power Purchases</b>						
22 AUGMENTATION POWER PURCHASES	-	6,198	-	-	-	0%
23 <b>Sub-Total</b>	-	6,198	-	-	-	0%
<b>Exchanges &amp; Settlements</b>						
24 RESIDENTIAL EXCHANGE PROGRAM <Note 2	201,933	201,919	201,919	201,919	50,457	25%
25 <b>Sub-Total</b>	201,933	201,919	201,919	201,919	50,457	25%
<b>Renewable Generation</b>						
26 RENEWABLE CONSERVATION RATE CREDIT	-	-	-	-	-	0%
27 RENEWABLES	30,463	39,799	39,807	40,189	6,030	15%
28 <b>Sub-Total</b>	\$ 30,463	\$ 39,799	\$ 39,807	\$ 40,189	\$ 6,030	15%

Report ID: 0060FY14

**Power Services Detailed Statement of Revenues and Expenses**

Run Date\Time: January 23, 2014 04:20

Requesting BL: POWER BUSINESS UNIT

Through the Month Ended December 31, 2013

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 25%

		A	B	C	D <Note 1	E	F
		FY 2013	FY 2014			FY 2014	FY 2014
		Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
<b>Generation Conservation</b>							
29	DSM TECHNOLOGY	\$ 1	\$ -	\$ -	\$ -	\$ -	0%
30	CONSERVATION ACQUISITION	10,394	16,444	16,444	16,444	2,193	13%
31	LOW INCOME ENERGY EFFICIENCY	5,025	5,155	5,155	5,155	515	10%
32	REIMBURSABLE ENERGY EFFICIENCY DEVELOPMENT	5,368	11,859	17,986	10,000	1,387	14%
33	LEGACY	773	1,031	1,031	699	364	52%
34	MARKET TRANSFORMATION	14,517	13,919	15,144	15,144	3,524	23%
35	CONSERVATION RATE CREDIT (CRC)	-	-	-	-	-	0%
36	<b>Sub-Total</b>	36,078	48,408	55,760	47,443	7,984	17%
37	<b>Power System Generation Sub-Total</b>	<b>1,106,913</b>	<b>1,081,689</b>	<b>1,108,822</b>	<b>1,159,443</b>	<b>286,290</b>	<b>25%</b>
<b>Power Non-Generation Operations</b>							
<b>Power Services System Operations</b>							
38	INFORMATION TECHNOLOGY	5,881	6,602	4,438	5,079	1,068	21%
39	GENERATION PROJECT COORDINATION	7,423	7,126	7,202	7,760	1,583	20%
40	SLICE IMPLEMENTATION	854	1,099	1,043	1,043	232	22%
41	<b>Sub-Total</b>	14,158	14,827	12,683	13,882	2,883	21%
<b>Power Services Scheduling</b>							
42	OPERATIONS SCHEDULING	8,426	10,398	9,828	9,795	2,016	21%
43	OPERATIONS PLANNING	6,444	7,641	7,398	7,399	1,509	20%
44	<b>Sub-Total</b>	14,871	18,039	17,225	17,193	3,525	20%
<b>Power Services Marketing and Business Support</b>							
45	POWER R&D	6,186	5,816	5,817	5,144	652	13%
46	SALES & SUPPORT	18,822	20,951	21,385	21,328	4,817	23%
47	STRATEGY, FINANCE & RISK MGMT	13,559	19,263	20,079	18,749	2,888	15%
48	EXECUTIVE AND ADMINISTRATIVE SERVICES	3,804	4,166	3,689	3,778	1,167	31%
49	CONSERVATION SUPPORT	7,902	9,094	9,101	9,308	2,084	22%
50	<b>Sub-Total</b>	50,273	59,290	60,072	58,307	11,608	20%
51	<b>Power Non-Generation Operations Sub-Total</b>	<b>79,302</b>	<b>92,156</b>	<b>89,980</b>	<b>89,381</b>	<b>18,015</b>	<b>20%</b>
<b>Power Services Transmission Acquisition and Ancillary Services</b>							
<b>PBL Transmission Acquisition and Ancillary Services</b>							
52	POWER SERVICES TRANSMISSION & ANCILLARY SERVICES	99,295	95,716	95,716	87,928	18,885	21%
53	3RD PARTY GTA WHEELING	51,244	55,533	54,533	54,533	13,480	25%
54	POWER SERVICES - 3RD PARTY TRANS & ANCILLARY SVCS	1,869	2,288	2,755	2,755	829	30%
55	GENERATION INTEGRATION / WIT-TS	9,941	11,256	11,256	11,256	2,876	26%
56	TELEMETERING/EQUIP REPLACENT	1	52	52	52	-	0%
57	<b>Power Svcs Trans Acquisition and Ancillary Services Sub-Tota</b>	<b>162,351</b>	<b>164,845</b>	<b>164,311</b>	<b>156,523</b>	<b>36,070</b>	<b>23%</b>
<b>Fish and Wildlife/USF&amp;W/Planning Council/Environmental Req</b>							
<b>BPA Fish and Wildlife</b>							
58	Fish & Wildlife	238,984	254,000	254,000	254,000	63,461	25%
59	USF&W Lower Snake Hatcheries	28,700	30,670	30,670	30,670	6,479	21%
60	Planning Council	10,118	10,568	10,568	10,568	2,732	26%
61	<b>Fish and Wildlife/USF&amp;W/Planning Council Sub-Total</b>	<b>\$ 277,802</b>	<b>\$ 295,238</b>	<b>\$ 295,238</b>	<b>\$ 295,238</b>	<b>\$ 72,671</b>	<b>25%</b>

Report ID: 0060FY14

## Power Services Detailed Statement of Revenues and Expenses

Run Date\Time: January 23, 2014 04:20

Requesting BL: POWER BUSINESS UNIT

Through the Month Ended December 31, 2013

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 25%

	A	B	C	D <Note 1	E	F
	FY 2013	FY 2014			FY 2014	FY 2014
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
<b>BPA Internal Support</b>						
62 Additional Post-Retirement Contribution	\$ 17,820	\$ 18,501	\$ 18,501	\$ 18,501	\$ 4,625	25%
63 Agency Services G&A (excludes direct project support)	52,108	55,102	59,353	57,204	13,553	24%
64 <b>BPA Internal Support Sub-Total</b>	<b>69,928</b>	<b>73,603</b>	<b>77,854</b>	<b>75,705</b>	<b>18,178</b>	<b>24%</b>
65 <b>Bad Debt Expense</b>	<b>12</b>	-	-	-	-	<b>0%</b>
66 <b>Other Income, Expenses, Adjustments</b>	<b>(139)</b>	-	-	(68)	(68)	<b>100%</b>
<b>Non-Federal Debt Service</b>						
Energy Northwest Debt Service						
67 COLUMBIA GENERATING STATION DEBT SVC	96,935	89,776	90,561	90,561	20,699	23%
68 WNP-1 DEBT SVC	234,847	248,237	247,882	247,882	71,811	29%
69 WNP-3 DEBT SVC	170,737	165,601	165,800	165,800	43,044	26%
70 <b>Sub-Total</b>	<b>502,518</b>	<b>503,614</b>	<b>504,243</b>	<b>504,243</b>	<b>135,554</b>	<b>27%</b>
Non-Energy Northwest Debt Service						
71 CONSERVATION DEBT SVC	2,617	2,418	2,511	2,511	636	25%
72 COWLITZ FALLS DEBT SVC	11,474	6,885	7,298	7,298	1,825	25%
73 NORTHERN WASCO DEBT SVC	1,926	1,931	1,931	1,931	482	25%
74 <b>Sub-Total</b>	<b>16,018</b>	<b>11,234</b>	<b>11,740</b>	<b>11,740</b>	<b>2,942</b>	<b>25%</b>
75 <b>Non-Federal Debt Service Sub-Total</b>	<b>518,536</b>	<b>514,848</b>	<b>515,983</b>	<b>515,984</b>	<b>138,497</b>	<b>27%</b>
76 <b>Depreciation</b>	<b>130,353</b>	<b>126,508</b>	<b>132,000</b>	<b>132,000</b>	<b>33,099</b>	<b>25%</b>
77 <b>Amortization</b>	<b>92,819</b>	<b>97,940</b>	<b>95,870</b>	<b>95,870</b>	<b>23,963</b>	<b>25%</b>
78 <b>Total Operating Expenses</b>	<b>2,437,878</b>	<b>2,446,827</b>	<b>2,480,057</b>	<b>2,520,075</b>	<b>626,715</b>	<b>25%</b>
79 <b>Net Operating Revenues (Expenses)</b>	<b>194,397</b>	<b>236,849</b>	<b>236,534</b>	<b>191,698</b>	<b>47,364</b>	<b>25%</b>
<b>Interest Expense and (Income)</b>						
80 Federal Appropriation	218,164	222,306	224,296	221,082	55,271	25%
81 Capitalization Adjustment	(45,937)	(45,937)	(45,937)	(45,937)	(11,484)	25%
82 Borrowings from US Treasury	55,698	63,653	61,958	32,794	14,260	43%
83 Customer Prepaid Power Purchases	7,653	14,775	14,775	14,775	3,761	25%
84 AFUDC	(10,674)	(11,168)	(11,900)	(11,400)	(2,601)	23%
85 Interest Income	(15,444)	(15,845)	(13,894)	(13,473)	(3,424)	25%
86 <b>Net Interest Expense (Income)</b>	<b>209,460</b>	<b>227,784</b>	<b>229,298</b>	<b>197,841</b>	<b>55,783</b>	<b>28%</b>
87 <b>Total Expenses</b>	<b>2,647,338</b>	<b>2,674,610</b>	<b>2,709,355</b>	<b>2,717,916</b>	<b>682,498</b>	<b>25%</b>
88 <b>Net Revenues (Expenses)</b>	<b>\$ (15,064)</b>	<b>\$ 9,065</b>	<b>\$ 7,236</b>	<b>\$ (6,143)</b>	<b>\$ (8,419)</b>	<b>137%</b>

<1 Although the forecasts in this report are presented as point estimates, BPA operates a hydro-based system that encounters much uncertainty regarding water supply and wholesale market prices. These uncertainties among other factors may result in large range swings +/- impacting the final results in revenues, expenses, and cash reserves.

<2 The Residential Exchange Program expenses reflect the Scheduled Amount of REP benefits payments established in the 2012 REP Settlement Agreement. The Scheduled Amount of REP benefit payments incorporates a \$76,537,617 reduction in REP benefits to provide Refund Amount payments to COUs. The Refund Amount returned to the COUs is reflected through a reduction in the Gross Sales amount.



Report ID: 0061FY14

**Transmission Services Detailed Statement of Revenues and Expenses**

Run Date/Time: January 23, 2014 04:22

Requesting BL: TRANSMISSION BUSINESS UNIT

Through the Month Ended December 31, 2013

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 25%

	A	B	C	D <Note 1	E	F
	FY 2013	FY 2014			FY 2014	FY 2014
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
<b>Operating Revenues</b>						
<b>Sales</b>						
<b>Network</b>						
Network Integration	\$ 122,700	\$ 127,650	\$ 127,650	\$ 126,476	\$ 34,609	27%
Other Network	379,306	445,882	442,896	438,745	107,838	25%
Intertie	78,774	71,048	71,143	70,840	17,133	24%
Other Direct Sales	222,910	236,117	243,521	256,574	63,745	25%
<b>Miscellaneous Revenues</b>	54,007	34,349	34,357	31,801	9,161	29%
<b>Inter-Business Unit Revenues</b>	122,177	111,560	108,273	101,217	21,955	22%
<b>Total Operating Revenues</b>	<b>979,873</b>	<b>1,026,607</b>	<b>1,027,840</b>	<b>1,025,652</b>	<b>254,443</b>	<b>25%</b>
<b>Operating Expenses</b>						
<b>Transmission Operations</b>						
<b>System Operations</b>						
INFORMATION TECHNOLOGY	9,115	7,415	4,661	9,793	2,186	22%
POWER SYSTEM DISPATCHING	12,155	13,589	13,589	13,361	3,145	24%
CONTROL CENTER SUPPORT	14,062	18,562	18,562	18,398	4,356	24%
TECHNICAL OPERATIONS	4,410	6,745	6,745	6,545	1,538	24%
SUBSTATION OPERATIONS	21,750	22,307	22,307	22,309	5,592	25%
<b>Sub-Total</b>	<b>61,490</b>	<b>68,618</b>	<b>65,864</b>	<b>70,405</b>	<b>16,817</b>	<b>24%</b>
<b>Scheduling</b>						
RESERVATIONS	4,160	5,697	5,697	5,697	1,142	20%
PRE-SCHEDULING	240	246	246	246	56	23%
REAL-TIME SCHEDULING	3,879	5,436	5,436	5,436	995	18%
SCHEDULING TECHNICAL SUPPORT	432	1,007	1,007	1,007	112	11%
SCHEDULING AFTER-THE-FACT	236	224	224	224	59	26%
<b>Sub-Total</b>	<b>8,948</b>	<b>12,611</b>	<b>12,611</b>	<b>12,611</b>	<b>2,363</b>	<b>19%</b>
<b>Marketing and Business Support</b>						
TRANSMISSION SALES	2,509	2,994	2,994	2,621	606	23%
MKTG TRANSMISSION FINANCE	(6)	-	-	-	-	0%
MKTG CONTRACT MANAGEMENT	4,498	5,291	5,377	5,250	1,219	23%
MKTG TRANSMISSION BILLING	2,528	2,858	2,768	2,577	632	25%
MKTG BUSINESS STRAT & ASSESS	6,552	6,955	7,050	7,354	1,690	23%
<b>Marketing Sub-Total</b>	<b>16,081</b>	<b>18,098</b>	<b>18,189</b>	<b>17,801</b>	<b>4,147</b>	<b>23%</b>
EXECUTIVE AND ADMIN SERVICES	10,364	13,774	13,774	10,757	3,456	32%
LEGAL SUPPORT	2,240	3,877	3,730	3,094	658	21%
TRANS SERVICES INTERNAL GENERAL & ADMINISTRATIVE	9,199	15,743	15,743	14,786	3,623	25%
AIRCRAFT SERVICES	1,205	2,030	1,970	2,043	235	12%
LOGISTICS SERVICES	4,710	5,014	5,031	4,667	917	20%
SECURITY ENHANCEMENTS	705	966	966	966	120	12%
<b>Business Support Sub-Total</b>	<b>28,423</b>	<b>41,402</b>	<b>41,214</b>	<b>36,312</b>	<b>9,009</b>	<b>25%</b>
<b>Transmission Operations Sub-Total</b>	<b>\$ 114,942</b>	<b>\$ 140,729</b>	<b>\$ 137,877</b>	<b>\$ 137,129</b>	<b>\$ 32,336</b>	<b>24%</b>

Report ID: 0061FY14

**Transmission Services Detailed Statement of Revenues and Expenses**

Run Date/Time: January 23, 2014 04:22

Requesting BL: TRANSMISSION BUSINESS UNIT

Through the Month Ended December 31, 2013

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 25%

	A	B	C	D <Note 1	E	F
	FY 2013	FY 2014			FY 2014	FY 2014
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
<b>Transmission Maintenance</b>						
<b>System Maintenance</b>						
34 NON-ELECTRIC MAINTENANCE	\$ 25,204	\$ 27,303	\$ 27,246	\$ 26,866	\$ 4,210	16%
35 SUBSTATION MAINTENANCE	27,726	31,121	31,110	31,110	7,036	23%
36 TRANSMISSION LINE MAINTENANCE	26,572	26,139	26,360	26,655	6,042	23%
37 SYSTEM PROTECTION CONTROL MAINTENANCE	11,869	13,096	13,096	13,097	2,823	22%
38 POWER SYSTEM CONTROL MAINTENANCE	17,623	16,904	16,867	16,280	4,164	26%
39 JOINT COST MAINTENANCE	123	1	1	119	27	22%
40 SYSTEM MAINTENANCE MANAGEMENT	7,076	6,434	6,434	7,485	2,128	28%
41 ROW MAINTENANCE	7,298	8,428	8,428	9,019	1,750	19%
42 HEAVY MOBILE EQUIP MAINT	(125)		( )	46	(247)	-642%
43 TECHNICAL TRAINING	2,211	3,201	3,201	3,201	387	12%
44 VEGETATION MANAGEMENT	17,928	17,135	17,135	17,135	2,154	13%
45 <b>Sub-Total</b>	143,506	149,763	149,877	151,011	30,472	20%
<b>Environmental Operations</b>						
46 ENVIRONMENTAL ANALYSIS		83	83	83	-	0%
47 POLLUTION PREVENTION AND ABATEMENT	3,427	4,387	4,387	4,450	971	22%
48 <b>Sub-Total</b>	3,427	4,471	4,471	4,534	971	21%
49 <b>Transmission Maintenance Sub-Total</b>	146,933	154,233	154,348	155,545	31,443	20%
<b>Transmission Engineering</b>						
<b>System Development</b>						
50 RESEARCH & DEVELOPMENT	6,657	7,782	7,782	7,294	1,575	22%
51 TSD PLANNING AND ANALYSIS	16,060	14,013	14,013	16,706	4,441	27%
52 CAPITAL TO EXPENSE TRANSFER	7,068	4,124	4,124	4,124	942	23%
53 NERC / WECC COMPLIANCE	13,056	12,015	12,005	13,495	3,406	25%
54 ENVIRONMENTAL POLICY/PLANNING	1,241	1,166	1,164	1,404	407	29%
55 ENG RATING AND COMPLIANCE	1,794	2,539	2,539	2,539	162	6%
56 <b>Sub-Total</b>	45,876	41,638	41,627	45,561	10,932	24%
57 <b>Transmission Engineering Sub-Total</b>	45,876	41,638	41,627	45,561	10,932	24%
<b>Trans. Services Transmission Acquisition and Ancillary Services</b>						
<b>BBL Acquisition and Ancillary Products and Services</b>						
58 ANCILLARY SERVICES PAYMENTS	131,064	108,900	116,030	123,526	35,424	29%
59 OTHER PAYMENTS TO POWER SERVICES	9,364	9,506	9,601	9,601	2,400	25%
60 STATION SERVICES PAYMENTS	3,264	2,785	2,785	2,802	729	26%
61 <b>Sub-Total</b>	143,692	121,191	128,416	135,929	38,554	28%
<b>Non-BBL Acquisition and Ancillary Products and Services</b>						
62 LEASED FACILITIES	3,968	4,258	4,258	4,258	1,180	28%
63 GENERAL TRANSFER AGREEMENTS (SETTLEMENT)	5,569	516	516	1,716	(100)	-106%
64 NON-BBL ANCILLARY SERVICES	3,417	4,285	9,825	9,432	1,413	15%
65 TRANSMISSION RENEWABLES	162	1,037	1,037	1,612	35	2%
66 <b>Sub-Total</b>	13,116	10,096	15,636	17,017	2,528	15%
67 <b>Trans. Svcs. Acquisition and Ancillary Services Sub-Total</b>	156,807	131,287	144,052	152,946	41,082	27%
<b>Transmission Reimbursables</b>						
<b>Reimbursables</b>						
68 EXTERNAL REIMBURSABLE SERVICES	24,835	8,273	8,076	6,578	2,779	42%
69 INTERNAL REIMBURSABLE SERVICES	2,390	2,256	2,256	2,243	594	26%
70 <b>Sub-Total</b>	27,225	10,530	10,333	8,822	3,373	38%
71 <b>Transmission Reimbursables Sub-Total</b>	\$ 27,225	\$ 10,530	\$ 10,333	\$ 8,822	\$ 3,373	38%

Report ID: 0061FY14

**Transmission Services Detailed Statement of Revenues and Expenses**

Run Date/Time: January 23, 2014 04:22

Requesting BL: TRANSMISSION BUSINESS UNIT

Through the Month Ended December 31, 2013

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 25%

	A	B	C	D <Note 1	E	F
	FY 2013	FY 2014			FY 2014	FY 2014
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
<b>BPA Internal Support</b>						
72 Additional Post-Retirement Contribution	\$ 17,820	\$ 18,501	\$ 18,501	\$ 18,501	\$ 4,625	25%
73 Agency Services G & A (excludes direct project support)	59,868	59,927	62,713	63,605	15,337	24%
74 <b>BPA Internal Support Subtotal</b>	<b>77,689</b>	<b>78,428</b>	<b>81,214</b>	<b>82,106</b>	<b>19,963</b>	<b>24%</b>
<b>Other Income, Expenses, and Adjustments</b>						
75 Bad Debt Expense	44	-	-	12	12	100%
76 Other Income, Expenses, Adjustments	(1,673)	-	-	(1,050)	(1,050)	100%
77 Undistributed Reduction	-	-	-	(1,200)	-	0%
78 Depreciation	204,848	195,154	206,615	206,615	51,766	25%
79 Amortization	1,697	2,162	1,900	1,900	499	26%
80 <b>Total Operating Expenses</b>	<b>774,388</b>	<b>754,161</b>	<b>777,966</b>	<b>788,385</b>	<b>190,356</b>	<b>24%</b>
81 <b>Net Operating Revenues (Expenses)</b>	<b>205,486</b>	<b>272,446</b>	<b>249,874</b>	<b>237,267</b>	<b>64,087</b>	<b>27%</b>
<b>Interest Expense and (Income)</b>						
82 Federal Appropriation	18,641	14,540	14,860	14,514	3,628	25%
83 Capitalization Adjustment	(18,968)	(18,968)	(18,968)	(18,968)	(4,742)	25%
84 Borrowings from US Treasury	81,801	110,143	94,446	72,641	22,588	31%
85 Debt Service Reassignment	53,671	44,124	44,475	44,475	11,119	25%
86 Customer Advances	7,962	9,104	8,870	8,410	2,147	26%
87 Lease Financing	31,323	31,103	39,660	44,015	8,476	19%
88 AFUDC	(26,855)	(36,477)	(32,200)	(34,600)	(9,016)	26%
89 Interest Income	(13,493)	(9,647)	(10,921)	(10,197)	(1,381)	14%
90 <b>Net Interest Expense (Income)</b>	<b>134,082</b>	<b>143,923</b>	<b>140,222</b>	<b>120,290</b>	<b>32,818</b>	<b>27%</b>
91 <b>Total Expenses</b>	<b>908,469</b>	<b>898,084</b>	<b>918,188</b>	<b>908,675</b>	<b>223,174</b>	<b>25%</b>
92 <b>Net Revenues (Expenses)</b>	<b>\$ 71,404</b>	<b>\$128,523</b>	<b>\$109,652</b>	<b>\$116,977</b>	<b>\$ 31,269</b>	<b>27%</b>

<1 Although the forecasts in this report are presented as point estimates, BPA operates a hydro-based system that encounters much uncertainty regarding water supply and wholesale market prices. These uncertainties, among other factors, may result in large range swings +/- impacting the final results in revenues, expenses, and cash reserves.

Report ID: 0067FY14

Requesting BL: CORPORATE BUSINESS UNIT

Unit of Measure: \$Thousands

## BPA Statement of Capital Expenditures

FYTD Through the Month Ended December 31, 2013

Preliminary Unaudited

Run Date/Run Time: January 23, 2014/ 12:33

Data Source: EPM Data Warehouse

% of Year Elapsed = 25%

		A	B	C	D	E	F
		FY 2014		FY 2014		FY 2014	
		SOY Budget	Current EOY Forecast	Actuals: Dec	Actuals: FYTD	Actuals / SOY Budget	Actuals / Forecast
<b>Transmission Business Unit</b>							
MAIN GRID							
1	CENTRAL OREGON REINFORCEMENT	4,490	176	30	64	1%	36%
2	BIG EDDY-KNIGHT 500kv PROJECT	38,418	44,091	1,209	5,257	14%	12%
3	OLYMPIC PENINSULA REINFORCEMNT	19	3	5	17	89%	555%
4	WEST OF MCNARY INTEGRATION PRO	116	20		20	17%	100%
5	I-5 CORRIDOR UPGRADE PROJECT	8,727	11,400	1,851	5,661	65%	50%
6	CENTRAL FERRY- LOWER MONUMNTAL	32,915	50,578	1,116	1,000	3%	2%
7	SEATTLE-PUDGET SOUND AREA	8,347	4,934	246	960	12%	19%
8	PORTLAND-VANCOUVER	3,288	4,802	379	1,487	45%	31%
9	WEST OF CASCADES NORTH	8,853	5,437	488	911	10%	17%
10	NORTHERN INTERTIE	-	29		1	0%	3%
11	SALEM- ALBANY-EUGENE AREA	8,291	9,376	17	108	1%	1%
12	TRI-CITIES AREA	5,312	7,345	2,605	3,726	70%	51%
13	MONTANA-WEST OF HATWAI	1,905	769	30	132	7%	17%
14	NERC CRITERIA COMPLIANCE	-	447	(1)	3	0%	1%
15	MISC. MAIN GRID PROJECTS	10,624	1,673	1,123	689	6%	41%
16	<b>TOTAL MAIN GRID</b>	<b>131,305</b>	<b>141,079</b>	<b>9,100</b>	<b>20,036</b>	<b>15%</b>	<b>14%</b>
AREA & CUSTOMER SERVICE							
17	ROGUE SVC ADDITION	1,728	1,860	33	126	7%	7%
18	CITY OF CENTRALIA PROJECT	15	69	1	2	13%	3%
19	SOUTHERN IDAHO - LOWER VALLEY	19,983	5,631	299	2,289	11%	41%
20	LONGVIEW AREA REINFORCEMENT	1,107	1,720	99	327	30%	19%
21	KALISPELL-FLATHEAD VALLEY	2,783	3,356	465	1,587	57%	47%
22	MISC. AREA & CUSTOMER SERVICE	1,518	2,529	86	(296)	-19%	-12%
23	<b>TOTAL AREA &amp; CUSTOMER SERVICE</b>	<b>\$ 27,133</b>	<b>\$ 15,165</b>	<b>\$ 983</b>	<b>\$ 4,035</b>	<b>15%</b>	<b>27%</b>

Report ID: 0067FY14

Requesting BL: CORPORATE BUSINESS UNIT

Unit of Measure: \$Thousands

## BPA Statement of Capital Expenditures

FYTD Through the Month Ended December 31, 2013

Preliminary Unaudited

Run Date/Run Time: January 23, 2014/ 12:33

Data Source: EPM Data Warehouse

% of Year Elapsed = 25%

A	B	C	D	E	F
FY 2014		FY 2014		FY 2014	
SOY Budget	Current EOY Forecast	Actuals: Dec	Actuals: FYTD	Actuals / SOY Budget	Actuals / Forecast

## Transmission Business Unit (Continued)

	SYSTEM REPLACEMENTS						
24	TEAP - TOOLS	\$ 1,504	\$ 1,307	\$ 0	\$ (109)	-7%	-8%
25	TEAP - EQUIPMENT	6,602	6,304	76	331	5%	5%
26	SPC - SER	2,514	5,227	634	1,603	64%	31%
27	SPC - DFRS	-	25	3	41	0%	165%
28	SPC - METERING	1,686	1,796	95	434	26%	24%
29	SPC - CONTROL AND INDICATION	1,265	528	152	342	27%	65%
30	SPC - RELAYS	19,826	21,230	3,440	7,601	38%	36%
31	PSC - TELEPHONE SYSTEMS	489	485	37	368	75%	76%
32	PSC - TRANSFER TRIP	9,555	8,905	1,949	3,757	39%	42%
33	PSC - FIN/OP NETWORKS	1,360	870	72	288	21%	33%
34	PSC - TLECOM TRANSPORT	1,563	877	4	58	4%	7%
35	PSC - SCADA/TELEMETRY/SUP CNTRL	3,457	1,855	133	460	13%	25%
36	PSC- TELECOM SUPPORT EQUIPMENT	4,476	3,057	732	1,774	40%	58%
37	SUB DC - SUSTAIN	2,571	1,800	85	1,706	66%	95%
38	SUB AC- BUS & STRUCTURES	1,093	470	115	262	24%	56%
39	SUB AC - LOW VOLTAGE AUX.	7,806	12,958	811	1,340	17%	10%
40	SUB AC- SHUNT CAPACITORS	2,389	574	5	20	1%	4%
41	SUB AC-CIRCUIT BRKR & SWTCH GR	16,861	21,942	1,136	5,158	31%	24%
42	SUB AC - CVT/PT/CT & ARRESTERS	1,721	1,538	(81)	309	18%	20%
43	SUB AC-TRANSFORMERS & REACTORS	2,686	5,428	258	1,998	74%	37%
44	LINES STEEL - SUSTAIN	19,603	19,377	479	5,473	28%	28%
45	LINES WOOD POLES - SUSTAIN	53,445	56,199	786	6,852	13%	12%
46	SYSTEM TELECOM - SUSTAIN	31,422	31,288	2,156	12,570	40%	40%
47	MISC. REPLACEMENT PROJECTS	-	(11,236)	78	(8,460)	0%	75%
48	MISC FACILITIES- NON-ELECTRIC	40,079	46,332	1,534	12,125	30%	26%
49	TOTAL SYSTEM REPLACEMENTS	\$ 233,973	\$ 239,136	\$ 14,689	\$ 56,303	24%	24%

Report ID: 0067FY14

Requesting BL: CORPORATE BUSINESS UNIT

Unit of Measure: \$Thousands

## BPA Statement of Capital Expenditures

FYTD Through the Month Ended December 31, 2013

Preliminary Unaudited

Run Date/Run Time: January 23, 2014/ 12:33

Data Source: EPM Data Warehouse

% of Year Elapsed = 25%

		A	B	C		D	E		F
		FY 2014		FY 2014		FY 2014		FY 2014	
		SOY Budget	Current EOY Forecast	Actuals: Dec	Actuals: FYTD	Actuals / SOY Budget	Actuals / Forecast		
Transmission Business Unit (Continued)									
UPGRADES & ADDITIONS									
50	IT PROJECTS	\$ 8,226	\$ 8,859	\$ 353	\$ 965	12%	11%		
51	SECURITY ENHANCEMENTS	4,428	4,539	335	818	18%	18%		
52	LAND RIGHTS - ACCESS ROADS	4,995	5,042	1,126	3,534	71%	70%		
53	LAND RIGHTS- VEG MITIGATION	879	500	11	44	5%	9%		
54	LAND RIGHTS - TRIBAL RENEWALS	167	(183)	61	(230)	-138%	126%		
55	ACCESS ROADS	25,722	25,259	361	3,420	13%	14%		
56	SUB AC - UPGRADES & ADDITIONS	32,544	33,979	577	4,390	13%	13%		
57	LINE SWITCH UPGRADES	506	-	-	-	0%	0%		
58	LINE - UPGRADES & ADDITIONS	10,750	1,344	119	269	3%	20%		
59	SUB DC - UPGRADES & ADDITIONS	102,442	102,835	16,960	25,786	25%	25%		
60	CONTROL CENTERS-UPGRADE & ADD	1,757	3,929	101	316	18%	8%		
61	CC SYSTEM & APPLICATION	4,214	4,665	324	865	21%	19%		
62	CC INFRASTRUCTURE COMPONENTS	3,135	4,498	508	1,253	40%	28%		
63	SYSTEM TELECOM - UPGRADE & ADD	13,466	12,983	591	3,249	24%	25%		
64	MISC. UPGRADES AND ADDITIONS	43,317	8,715	2,280	(4,447)	-10%	-51%		
65	TOTAL UPGRADES & ADDITIONS	256,548	216,965	23,707	40,234	16%	19%		
ENVIRONMENT CAPITAL									
66	MISC. ENVIRONMENT PROJECTS	6,804	6,602	1,028	1,981	29%	30%		
67	TOTAL ENVIRONMENT CAPITAL	6,804	6,602	1,028	1,981	29%	30%		
68	CAPITAL DIRECT	655,762	618,947	49,507	122,588	19%	20%		
PFIA									
69	MISC. PFIA PROJECTS	4,802	3,552	336	960	20%	27%		
70	GENERATOR INTERCONNECTION	10,118	1,270	144	652	6%	51%		
71	SPECTRUM RELOCATION	200	8	()	10	5%	120%		
72	TOTAL PFIA	15,119	4,830	480	1,622	11%	34%		
73	CAPITAL INDIRECT	()	-	(1,597)	(4,815)	0%	0%		
74	LAPSE FACTOR	(33,158)	-	-	-	0%	0%		
75	TOTAL Transmission Business Unit	\$ 637,724	\$ 623,777	\$ 48,390	\$ 119,396	19%	19%		



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Requesting BL: CORPORATE BUSINESS UNIT

Unit of Measure: \$Thousands

**BPA Statement of Capital Expenditures**

FYTD Through the Month Ended December 31, 2013

Preliminary Unaudited

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		A	B	C	D	E	F
		FY 2014		FY 2014		FY 2014	
		SOY Budget	Current EOY Forecast	Actuals: Dec	Actuals: FYTD	Actuals / SOY Budget	Actuals / Forecast
<b>Power Business Unit</b>							
76	BUREAU OF RECLAMATION	\$ 78,181	\$ 47,541	\$ 2,296	\$ 10,488	13%	22%
77	CORPS OF ENGINEERS	159,461	152,917	9,486	28,268	18%	18%
78	GENERATION CONSERVATION	75,200	75,200	5,840	10,298	14%	14%
79	POWER INFORMATION TECHNOLOGY	9,726	9,000	411	1,418	15%	16%
80	FISH & WILDLIFE	60,275	50,000	2,493	6,283	10%	13%
81	LAPSE FACTOR	(11,882)	-	-	-	0%	0%
82	<b>TOTAL Power Business Unit</b>	<b>370,961</b>	<b>334,658</b>	<b>20,526</b>	<b>56,755</b>	<b>15%</b>	<b>17%</b>
<b>Corporate Business Unit</b>							
83	CORPORATE BUSINESS UNIT	30,060	29,502	1,964	5,077	17%	17%
84	<b>TOTAL Corporate Business Unit</b>	<b>30,060</b>	<b>29,502</b>	<b>1,964</b>	<b>5,077</b>	<b>17%</b>	<b>17%</b>
85	<b>TOTAL BPA Capital Expenditures</b>	<b>\$ 1,038,745</b>	<b>\$ 987,937</b>	<b>\$ 70,879</b>	<b>\$ 181,227</b>	<b>17%</b>	<b>18%</b>

## **Proposed Schedule for Slice True-Up Adjustment for Composite Cost Pool True-Up Table and Cost Verification Process**

<b>Dates</b>	<b>Agenda</b>
<b>February 4, 2014</b>	<b>First Quarter Business Review Meeting with customers</b> <b>Provide Slice True-Up Adjustment estimate for the Composite Cost Pool and review</b> <b>High Level explanation of variances between rate case forecast and Q1 forecast</b> <b>Q&amp;A customers for any additional information of line items in the Slice True-Up</b>
<b>April 29, 2014</b>	<b>Second Quarter Business Review Meeting with customers</b> <b>Provide Slice True-Up Adjustment estimate for the Composite Cost Pool and review</b> <b>High Level explanation of variances between rate case forecast and Q2 forecast</b> <b>Q&amp;A customers for any additional information of line items in the Slice True-Up</b> <b>Revisit any questions and data requests that were asked during Q1 as needed</b>
<b>August 5, 2014</b>	<b>Third Quarter Business Review Meeting with customers</b> <b>Slice True-Up Adjustment estimate for the Composite Cost Pool and review</b> <b>High Level explanation of variances between rate case forecast and Q3 forecast</b> <b>Q&amp;A customers for any additional information of line items in the Slice True-Up</b> <b>Revisit any questions and data requests that were asked during Q2 as needed</b>
<b>October 2014</b>	<b>BPA External CPA firm conducting audit for fiscal year end</b>
<b>Mid-October 2014</b>	<b>Recording the End of Fiscal Year Slice True-Up Adjustment Accrual for the Composite Cost Pool in the financial system</b>
<b>End of October 2014</b>	<b>Final audited actual financial data is expected to be available</b>
<b>November 5, 2014</b>	<b>Fourth Quarter Business Review Meeting with customers</b> <b>Provide Slice True-Up Adjustment for the Composite Cost Pool (this is the number posted in the financial system and is expected to be the final number)</b>



## **Proposed Schedule for Slice True-Up Adjustment for Composite Cost Pool True-Up Table and Cost Verification Process**

November 17, 2014	Mail notification to Slice Customers of the Slice True-Up Adjustment for the Composite Cost Pool
November 19, 2014	BPA to post Composite Cost Pool True-Up Table containing actual values and the Slice True-Up Adjustment
December 11, 2014	Deadline for customers to submit questions about actual line items in the Composite Cost Pool True-Up Table with the Slice True-Up Adjustment for inclusion in the Agreed Upon Procedures (AUPs) Performed by BPA external CPA firm (customers have 15 business days following the posting of Composite Cost Pool Table containing actual values and the Slice True-Up Adjustment
December 19, 2014	BPA posts a draft list of AUP tasks to be performed (Attachment A does not specify an exact date)
January 6, 2014	Customer comments are due on the list of tasks (The deadline can not exceed 10 days from BPA posting)
January 13, 2014	BPA finalizes list of questions about actual lines items in the Composite Cost Pool True-Up Table for the AUPs
January 15, 2014	External auditor to begin the work on the AUP tasks requested by customers
March 17, 2014	External auditor to complete the AUPs (may have up to 120 calendar days)
March 24, 2014	Initial Cost Verification Workshop
April 14, 2014	Customer comment period deadline
April 21, 2014	Follow-up Cost Verification Workshop
May 12, 2014	BPA Draft Response on AUP Report and questions/items raised during workshops
End of May 2014	If customers do not deliver any notice of grievances that are vetted with a third party Neutral, BPA will issue a Final Response on the AUP Report

## 4h10c Credits: FY2014

Estimated 4h10c Credits (\$ millions)	FY14 Rate Case	Start Of Year	1st Quarter	2nd Quarter	3rd Quarter	August DOE Certification	Final Calculations
Power Purchases Caused by Operations for Fish & Wildlife	\$ 119.7 BP-14 Rate Case 80-yr average	\$ 119.7 BP-14 Rate Case 80-yr average	\$ 120.0 Actual Generation Oct-Dec, Study10 forecasts Jan-Sep	\$	\$	\$	\$
Expense	\$ 254.0	\$ 254.0	\$ 254.0	\$	\$	\$	\$
F&W Program Software	\$ 1.8	\$ 1.8	\$ 1.8	\$	\$	\$	\$
Capital	\$ 60.3	\$ 60.3	\$ 50.0	\$	\$	\$	\$
Total	\$ 435.8	\$ 435.8	\$ 425.8	\$	\$	\$	\$
<b>Credit (22.3%)</b>	<b>\$ 97.2</b>	<b>\$ 97.2</b>	<b>\$ 95.0</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

### Comments on the Power Purchase Forecasts:

- For the Rate Case we estimated a 4(h)(10)(C) credit for each of the 80 historic water years in the Rate Case study and used the average of these estimates. The estimates can vary significantly each year; for instance, the 80 years of 4(h)(10)(C) estimates ranged from \$68M to \$215M.
- For Start-of-year we estimated the credit would be the same as estimated in the Rate Case.
- For 1st Quarter we forecasted power purchases for Oct-Dec based on actual generation and prices, and we forecasted Jan-Sep based on ESP forecasts from Study 10. The estimate was similar to the Start-of-year.

# Composite Cost Pool True-Up Table

		Q1 (\$000)	FY 2014 Rate Case forecast (\$000)	Q1 - FY 2014 Rate Case Difference (\$000)
1	<b>Operating Expenses</b>			
2	<b>Power System Generation Resources</b>			
3	<b>Operating Generation</b>			
4	COLUMBIA GENERATING STATION (WNP-2)	\$ 300,040	\$ 298,751	\$ 1,289
5	BUREAU OF RECLAMATION	\$ 140,601	\$ 140,601	\$ 0
6	CORPS OF ENGINEERS	\$ 225,687	\$ 225,687	\$ 0
7	LONG-TERM CONTRACT GENERATING PROJECTS	\$ 22,443	\$ 25,999	\$ (3,556)
8	<b>Sub-Total</b>	<b>\$ 688,771</b>	<b>\$ 691,038</b>	<b>\$ (2,268)</b>
9	<b>Operating Generation Settlement Payment and Other Payments</b>			
10	COLVILLE GENERATION SETTLEMENT	\$ 21,405	\$ 21,405	\$ -
11	SPOKANE LEGISLATION PAYMENT	\$ -	\$ -	\$ -
12	<b>Sub-Total</b>	<b>\$ 21,405</b>	<b>\$ 21,405</b>	<b>\$ -</b>
13	<b>Non-Operating Generation</b>			
14	TROJAN DECOMMISSIONING	\$ 2,000	\$ 1,500	\$ 500
15	WNP-1&3 DECOMMISSIONING	\$ 400	\$ 706	\$ (306)
16	<b>Sub-Total</b>	<b>\$ 2,400</b>	<b>\$ 2,206</b>	<b>\$ 194</b>
17	<b>Gross Contracted Power Purchases</b>			
18	PNCA HEADWATER BENEFITS	\$ 2,957	\$ 2,957	\$ -
19	HEDGING/MITIGATION (omit except for those assoc. with augmentation)	\$ -	\$ -	\$ -
20	OTHER POWER PURCHASES (omit, except Designated Obligations or Purchases)	\$ 11,195	\$ -	\$ 11,195
21	<b>Sub-Total</b>	<b>\$ 14,152</b>	<b>\$ 2,957</b>	<b>\$ 11,195</b>
22	<b>Bookout Adjustment to Power Purchases (omit)</b>			
23	<b>Augmentation Power Purchases (omit - calculated below)</b>			
24	AUGMENTATION POWER PURCHASES	\$ -	\$ -	\$ -
25	<b>Sub-Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
26	<b>Exchanges and Settlements</b>			
27	RESIDENTIAL EXCHANGE PROGRAM (REP) (SOY does not include \$973K REP admin c	\$ 201,919	\$ 202,892	\$ (973)
28	REP ADMINISTRATION COSTS (\$973K rate case amount is included in row 27 column	\$ -	\$ -	\$ -
29	OTHER SETTLEMENTS	\$ -	\$ -	\$ -
30	<b>Sub-Total</b>	<b>\$ 201,919</b>	<b>\$ 202,892</b>	<b>\$ (973)</b>
31	<b>Renewable Generation</b>			
32	CONTRA EXPENSE for GEP reinvestments	\$ (750)	\$ (750)	\$ -
33	RENEWABLES (excludes KIII)	\$ 31,219	\$ 29,798	\$ 1,421
34	<b>Sub-Total</b>	<b>\$ 30,469</b>	<b>\$ 29,048</b>	<b>\$ 1,421</b>
35	<b>Generation Conservation</b>			
36	DSM TECHNOLOGY	\$ -	\$ -	\$ -
37	CONSERVATION ACQUISITION	\$ 16,444	\$ 16,444	\$ -
38	LOW INCOME WEATHERIZATION & TRIBAL	\$ 5,155	\$ 5,155	\$ -
39	ENERGY EFFICIENCY DEVELOPMENT	\$ 10,000	\$ 11,859	\$ (1,859)
40	LEGACY	\$ 699	\$ 1,031	\$ (332)
41	MARKET TRANSFORMATION	\$ 15,144	\$ 13,919	\$ 1,226
42	CONSERVATION Rate Credit (CRC)	\$ -	\$ -	\$ -
43	<b>Sub-Total</b>	<b>\$ 47,443</b>	<b>\$ 48,408</b>	<b>\$ (965)</b>
44	<b>Power System Generation Sub-Total</b>	<b>\$ 1,006,559</b>	<b>\$ 997,954</b>	<b>\$ 8,605</b>

# Composite Cost Pool True-Up Table

		Q1 (\$000)	FY 2014 Rate Case forecast (\$000)	Q1 - FY 2014 Rate Case Difference (\$000)
45				
46	<b>Power Non-Generation Operations</b>			
47	<b>Power Services System Operations</b>			
48	EFFICIENCIES PROGRAM	\$ -	\$ -	\$ -
49	INFORMATION TECHNOLOGY	\$ 5,079	\$ 6,602	\$ (1,524)
50	GENERATION PROJECT COORDINATION	\$ 7,760	\$ 6,826	\$ 934
51	SLICE IMPLEMENTATION	\$ 1,043	\$ 1,099	\$ (56)
52	<b>Sub-Total</b>	<b>\$ 13,882</b>	<b>\$ 14,527</b>	<b>\$ (646)</b>
53	<b>Power Services Scheduling</b>			
54	OPERATIONS SCHEDULING	\$ 9,795	\$ 10,398	\$ (603)
55	OPERATIONS PLANNING	\$ 7,399	\$ 7,641	\$ (242)
56	<b>Sub-Total</b>	<b>\$ 17,193</b>	<b>\$ 18,039</b>	<b>\$ (845)</b>
57	<b>Power Services Marketing and Business Support</b>			
58	POWER R&D	\$ 5,144	\$ 5,816	\$ (672)
59	SALES & SUPPORT	\$ 21,328	\$ 20,951	\$ 377
60	STRATEGY, FINANCE & RISK MGMT (SOY column C row 60 includes REP support costs)	\$ 18,749	\$ 18,299	\$ 449
61	EXECUTIVE AND ADMINISTRATIVE SERVICES	\$ 3,778	\$ 4,157	\$ (379)
62	CONSERVATION SUPPORT	\$ 9,308	\$ 9,094	\$ 214
63	<b>Sub-Total</b>	<b>\$ 58,307</b>	<b>\$ 58,317</b>	<b>\$ (10)</b>
64	<b>Power Non-Generation Operations Sub-Total</b>	<b>\$ 89,381</b>	<b>\$ 90,883</b>	<b>\$ (1,501)</b>
65	<b>Power Services Transmission Acquisition and Ancillary Services</b>			
66	TRANSMISSION and ANCILLARY Services - System Obligations	\$ 36,442	\$ 36,442	\$ -
67	3RD PARTY GTA WHEELING	\$ 54,533	\$ 55,533	\$ (1,000)
68	POWER SERVICES - 3RD PARTY TRANS & ANCILLARY SVCS (omit)	\$ -	\$ -	\$ -
69	TRANS ACQ GENERATION INTEGRATION	\$ 11,256	\$ 11,256	\$ -
70	TELEMETERING/EQUIP REPLACEMT	\$ 52	\$ 52	\$ -
71	<b>Power Services Trans Acquisition and Ancillary Serv Sub-Total</b>	<b>\$ 102,283</b>	<b>\$ 103,283</b>	<b>\$ (1,000)</b>
72	<b>Fish and Wildlife/USF&amp;W/Planning Council/Environmental Req</b>			
73	<b>BPA Fish and Wildlife</b>			
74	Fish & Wildlife	\$ 254,000	\$ 254,000	\$ 0
75	USF&W Lower Snake Hatcheries	\$ 30,670	\$ 30,670	\$ -
76	Planning Council	\$ 10,568	\$ 10,568	\$ -
77	Environmental Requirements	\$ -	\$ 300	\$ (300)
78	<b>Fish and Wildlife/USF&amp;W/Planning Council Sub-Total</b>	<b>\$ 295,238</b>	<b>\$ 295,538</b>	<b>\$ (300)</b>

# Composite Cost Pool True-Up Table

		Q1 (\$000)	FY 2014 Rate Case forecast (\$000)	Q1 - FY 2014 Rate Case Difference (\$000)
79	<b>BPA Internal Support</b>			
80	Additional Post-Retirement Contribution	\$ 18,501	\$ 18,501	\$ -
81	Agency Services G&A (excludes direct project support)	\$ 57,204	\$ 55,102	\$ 2,102
82	<b>BPA Internal Support Sub-Total</b>	\$ 75,705	\$ 73,603	\$ 2,102
83	Bad Debt Expense	\$ -	\$ -	\$ -
84	Other Income, Expenses, Adjustments	\$ -	\$ -	\$ -
85	<b>Non-Federal Debt Service</b>			
86	<b>Energy Northwest Debt Service</b>			
87	COLUMBIA GENERATING STATION DEBT SVC	\$ 90,561	\$ 89,776	\$ 785
88	WNP-1 DEBT SVC	\$ 247,882	\$ 248,237	\$ (355)
89	WNP-3 DEBT SVC	\$ 165,800	\$ 165,601	\$ 199
90	EN RETIRED DEBT	\$ -	\$ -	\$ -
91	EN LIBOR INTEREST RATE SWAP	\$ -	\$ -	\$ -
92	<b>Sub-Total</b>	\$ 504,243	\$ 503,614	\$ 629
93	<b>Non-Energy Northwest Debt Service</b>			
94	TROJAN DEBT SVC	\$ -	\$ -	\$ -
95	CONSERVATION DEBT SVC	\$ 2,511	\$ 2,418	\$ 93
96	COWLITZ FALLS DEBT SVC	\$ 7,298	\$ 6,885	\$ 413
97	NORTHERN WASCO DEBT SVC	\$ 1,931	\$ 1,931	\$ -
98	<b>Sub-Total</b>	\$ 11,740	\$ 11,234	\$ 506
99	<b>Non-Federal Debt Service Sub-Total</b>	\$ 515,983	\$ 514,848	\$ 1,135
100	<b>Depreciation</b>	\$ 132,000	\$ 126,508	\$ 5,492
101	<b>Amortization</b>	\$ 95,870	\$ 97,940	\$ (2,070)
102	<b>Total Operating Expenses</b>	\$ 2,313,018	\$ 2,300,555	\$ 12,463
103				
104	<b>Other Expenses</b>			
105	Net Interest Expense	\$ 189,674	\$ 228,752	\$ (39,079)
106	LDD	\$ 34,703	\$ 35,303	\$ (600)
107	Irrigation Rate Discount Costs	\$ 18,818	\$ 18,816	\$ 2
108	<b>Sub-Total</b>	\$ 243,194	\$ 282,872	\$ (39,677)
109	<b>Total Expenses</b>	\$ 2,556,213	\$ 2,583,427	\$ (27,215)

# Composite Cost Pool True-Up Table

		Q1 (\$000)	FY 2014 Rate Case forecast (\$000)	Q1 - FY 2014 Rate Case Difference (\$000)
110				
111	<b>Revenue Credits</b>			
112	Generation Inputs for Ancillary, Control Area, and Other Services Revenues	\$ 135,643	\$ 117,696	\$ 17,948
113	Downstream Benefits and Pumping Power revenues	\$ 18,606	\$ 15,393	\$ 3,213
114	4(h)(10)(c) credit	\$ 94,959	\$ 97,173	\$ (2,214)
115	Colville and Spokane Settlements	\$ 4,600	\$ 4,600	\$ -
116	Energy Efficiency Revenues	\$ 10,000	\$ 11,859	\$ (1,859)
117	Miscellaneous revenues	\$ 3,256	\$ 3,225	\$ 31
118	Renewable Energy Certificates	\$ 1,120	\$ 1,061	\$ 59
119	Pre-Subscription Revenues (Big Horn/Hungry Horse)	\$ 1,864	\$ 1,842	\$ 22
120	Net Revenues from other Designated BPA System Obligations (Upper Baker)	\$ 422	\$ 422	\$ 0
121	WNP-3 Settlement revenues	\$ 35,802	\$ 29,163	\$ 6,638
122	RSS Revenues	\$ 2,682	\$ 2,682	\$ -
123	Firm Surplus and Secondary Adjustment (from Unused RHHM)	\$ 3,299	\$ 3,299	\$ -
124	Balancing Augmentation Adjustment	\$ (24,714)	\$ (24,714)	\$ -
125	Transmission Loss Adjustment	\$ 27,450	\$ 27,450	\$ -
126	Tier 2 Rate Adjustment	\$ 182	\$ 182	\$ -
127	NR Revenues	\$ 1	\$ 1	\$ -
128	<b>Total Revenue Credits</b>	\$ 315,173	\$ 291,336	\$ 23,837
129				
130	<b>Augmentation Costs (not subject to True-Up)</b>			
131	Tier 1 Augmentation Resources (includes Augmentation RSS and Augmentation RSC adders)	\$ 12,513	\$ 12,513	\$ -
132	Augmentation Purchases	\$ 6,199	\$ 6,199	\$ -
133	<b>Total Augmentation Costs</b>	\$ 18,712	\$ 18,712	\$ -
134				
135	<b>DSI Revenue Credit</b>			
136	Revenues 312 aMW, 312 aMW @ IP rate	\$ 106,510	\$ 106,510	\$ -
137	<b>Total DSI revenues</b>	\$ 106,510	\$ 106,510	\$ -
138				
139	<b>Minimum Required Net Revenue Calculation</b>			
140	Principal Payment of Fed Debt for Power	\$ 106,611	\$ 106,611	\$ -
141	Irrigation assistance	\$ 52,550	\$ 52,550	\$ -
142	Depreciation	\$ 132,000	\$ 126,508	\$ 5,492
143	Amortization	\$ 95,870	\$ 97,940	\$ (2,070)
144	Capitalization Adjustment	\$ (45,937)	\$ (45,937)	\$ -
145	Bond Call Premium/Discount	\$ (19,562)	\$ -	\$ (19,562)
146	Non-Federal Interest (Prepay)	\$ 14,775	\$ 14,775	\$ -
147	Prepay Revenue Credits	\$ (30,600)	\$ (30,600)	\$ -
148	Principal Payment of Fed Debt exceeds non cash expenses	\$ 12,615	\$ (3,524)	\$ 16,139
149	<b>Minimum Required Net Revenues</b>	\$ 12,615	\$ -	\$ 12,615
150				
151	<b>Annual Composite Cost Pool (Amounts for each FY)</b>	\$ 2,165,857	\$ 2,204,294	\$ (38,437)
152				
153	<b>SLICE TRUE-UP ADJUSTMENT CALCULATION FOR COMPOSITE COST POOL</b>			
154	TRUE UP AMOUNT (Diff. between actual Comp. Cost Pool and forecast Comp. Cost Pool for applicable	\$ (38,437)		
155	Sum of TOCAs	0.9755924		
156	Adjustment of True-Up Amount when actual TOCAs < 100 percent (divide by sum of TOCAs, expressed	\$ (39,399)		
157	<b>TRUE-UP ADJUSTMENT CHARGE BILLED (26.62752 percent)</b>	\$ (10,491)		

## Financial Disclosure

- The information contained in slides 3, 19-30, 33-41, and 60-78 has been made publicly available by BPA on January 31, 2014 and contains BPA-approved Financial Information.
- The information contained in slides 4-17, 31-32, and 42-59 has been made publicly available by BPA on January 31, 2014 and does not contain BPA-approved Financial Information.